THE PUNJAB PEASANT
in Prosperity and Debt

by

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With a Foreword by

SIR EDWARD MACLAGAN, K.C.S.I., K.C.I.E.

LATE GOVERNOR OF THE PUNJAB

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' He did not, in fact, make a hobby of any one part of his work, but kept the welfare of the estate as a whole before his eyes. The object most prominent to his mind in the estate was not the azote nor the oxygen in the soil nor the atmosphere, not a particular plough or manure, but the principal agent by means of which the azote and the oxygen and the plough and the manure were all made effectual—that is, the labourer, the peasant. . . . He looked on the peasant not merely as a tool, but also as an end in himself, and as his critic. At first he studied the peasant *attentively, trying to understand what he wanted, what he thought good* and bad ; and he only made a pretence of making arrangements and giving orders, while he was in reality learning from the peasants their methods and their language and their views of what was good and bad. And it was only when he understood the tastes and impulses of the peasant, when he had learned to speak his speech and to grasp the hidden meaning behind his words, when he felt himself in alliance with him, that he began boldly to direct him '. (Tolstoy, *War and Peace*).

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To
My former Colleagues
in the Co-operative Department,
both English and Indian,
without whose assistance and encouragement
this book could not have
been written

FOREWORD

To readers interested in Indian economics no introduction seems necessary for so fascinating a subject as 'the Punjab peasant in prosperity and debt', but, as one who has from time to time been engaged in a close study of this subject, I may perhaps be excused if I interpose a few words at the commencement of this book. I do not wish to comment on, or criticize in any way, the subject-matter of the book, and indeed am not in a position to do so, having been prevented by considerations of time and distance from seeing more than the first five chapters, and thus being necessarily unacquainted with the completion of Mr. Darling's picture and the ultimate trend of his conclusions. I have seen enough, however, to realize the comprehensiveness of his study, the care with which he has collected his data, and the sympathy with which he has handled them.

During the first ten or fifteen years of my official life in India, the indebtedness of the Punjab peasant was a subject very keenly debated in official circles. The increase of debt among the peasants, its causes and its effects, were portrayed with dramatic intensity in Mr. Thorburn's volume on *Mussalmans and Money-lenders*. The accuracy of his data was impugned by some, and by others his forebodings were held to be exaggerated, but his propaganda had the desired effect of drawing serious attention to a subject of the highest importance. On one point his supporters and his critics were almost unanimous, namely, on the seriousness of the increasing expropriation of the peasant proprietor by the money-lender. Many, both among the officials and among the public at large, while recognizing the seriousness of the danger, were not prepared to deal with it by any such method as the direct curtailment of the power of alienation on the part of the peasant. Ultimately, however, the question was brought to a head by Sir Denzil Ibbetson, as Secretary to the Government of India. I was behind the scenes myself at the time, and had much to do with the collection of the information upon which Sir Denzil's proposals were based. It was as a result of his proposals, and of the strong support accorded to

them by the Home Member, Sir Charles Rivaz, that the Act of 1900 was passed and the peasant's power of alienating his land was curtailed.

With the passing of the Act the official discussions of the peasants' indebtedness were from one point of view discontinued. The Act was not a complete remedy, but it met with genuine approval from the agricultural tribes whose rights it restricted, and was held by the Government to have achieved the purpose for which it was enacted. So far, therefore, as the expropriation of peasants was concerned, the *fait accompli* was accepted. Criticisms were from time to time put forward, but as a rule on communal, rather than economic, grounds; and the problem of maintaining the connection of the peasant with his ancestral lands was looked on as being settled—so far as such a question could be settled—by the Act of 1900.

The expropriation problem represented one phase only of the general question of peasant indebtedness. It was the phase which had the most direct influence on political conditions, and which called for the most urgent remedy. It had for these reasons to be dealt with independently of the other aspects of the case. These other aspects were not, however, neglected, and various remedies for the economic evils of debt were carefully considered. Of these, the remedy on which the Government placed most reliance was the encouragement of co-operative societies, and—again under the influence of Sir Denzil Ibbetson—an Act was passed with a view to encouraging and regulating the practice of economic co-operation in the country. This measure has met with general approval, and a very successful commencement has been made, since the passing of the Act, in the introduction and extension of co-operative principles, more especially among the peasants of the Punjab.

This in itself constitutes in my opinion the most useful and the most hopeful means of dealing with the problems of agricultural credit. In carrying out this policy the Government has obtained a fair degree of public sympathy and assistance, but it has had mainly to rely on the enthusiasm and driving power of a select body of officers, European and Indian, who have specialized on the subject and have devoted much time to its study both in India and in Europe. These officers—of whom Mr. Darling is one—have not confined their attention to the

technicalities of co-operation, but have extended their researches over the whole range of agricultural economics in the Punjab. They have, from different points of approach, established what may be looked on as a school of economic thought in the province. It is largely with their help and under their influence that the recently constituted Board of Economic Research in the Punjab has started on a series of valuable rural investigations. They have themselves published monographs in the form of books, pamphlets and papers, in which our existing data have been brought together and the economic features of our agriculture have been portrayed in a manner that has attracted the admiration of professional economists in all parts of India. Owing largely to the special researches made at stated intervals by settlement officers under our system of land revenue, we are better furnished with data on agricultural economics than many other countries; and it has been the function of the new school of enquiry to bring the results of these and other data together, and to present us with a general conspectus of the agricultural conditions now prevailing, and of the problems to which they give rise.

Mr. Darling has in this book made a notable contribution to the economic literature of India. He has given us a vivid picture of the peasants' attitude towards the supply and use of capital. At the same time the vividness of his portraiture has not betrayed him into partizanship. Under his guidance we recognize that we are dealing with a very complicated series of problems, and that it is not possible to rely on preconceived generalities in dealing with them. We acknowledge the abuses connected with money-lending in this part of India, but we learn the usefulness, and indeed the necessity, of the money-lender in agricultural economy. We discern that it is not indebtedness that is the evil, but indebtedness for unproductive purposes. We are confronted with not a few of the antinomies or apparent contradictions that underlie economic conditions in India. We observe how in one tract or in one period the agriculturist woos the money-lender for money, while in others the money-lender woos the agriculturist. We are shown how in some conditions poverty, and in others prosperity, is the cause of debt. With these and other complexities the observer is apt to be bewildered, and Mr. Darling will have conferred a great benefit if he has

—as I believe him to have—brought light to bear on these mysteries, and has helped the earnest enquirer to reach a correct and sober judgment on the practical issues at stake. With the increase in the value of agricultural produce, the relation of land to commerce is daily changing, and it is to studies such as his that we look when we wish to adjust our notions and to clear our views. What we want most of all at this time is a full picture of existing conditions among the peasantry, accompanied by a careful and dispassionate examination of the problem to which they give rise, and this is a want that Mr. Darling has attempted to meet in the present book. The Punjab peasant is one of the finest and noblest of his kind, and no one who has the welfare of the Punjab peasant at heart can fail to wish Mr. Darling every success in his attempt.

E. D. Maclagan

PREFACE TO FIRST EDITION

THIS is primarily a study of agricultural debt in the Punjab. But it is also something more, for debt, when as wide-spread as it is in this country, touches the whole of economic life, and to understand the causes of the one we must know something of the conditions of the other. This explains the method and scope of the book, which, in examining the main problem of the Punjab peasantry, seeks to give some idea of the peasant himself in all his varying conditions of heat and cold, drought and flood, river and waste, abundance and want. If I have been over-bold, I would shelter myself behind the words of Malthus, that 'when a man faithfully relates any facts which have come within the scope of his own observation, however confined it may have been, he undoubtedly adds to the sum of general knowledge and confers a benefit on society'. This is indeed the only claim that I can make, that I have endeavoured faithfully to relate the facts which have come to my knowledge, and have set them down with no more comment than seemed necessary to their understanding. If further justification is needed, it is that, though the indebtedness of the Indian cultivator is a fertile theme for politician and journalist, 'the sum of general knowledge' on the subject is small: how small will be seen from the opening pages of the first chapter.

The absence of information has been the greatest difficulty in writing the book. Bricks are proverbially difficult to make without straw, and in this case the straw had to be gathered from innumerable district gazetteers and official reports, written with very little reference to the subject, and from personal enquiries made all over the province from as many reliable sources as possible. A book written in such circumstances and embracing a province larger than Great Britain must be peculiarly open to criticism and error, especially as it has had to be written in such leisure as could be spared from the labour of organizing a new department. Its foundation was laid during the three years that I had the privilege of serving in the Co-operative Department, when I had special opportunities for studying the

economic life of the peasant. It will not, perhaps, have been written in vain if it leads to further enquiry and more accurate knowledge of the peasant and his problems.

That there is need for enquiry can scarcely be disputed. Hardly a week passes without some reference in debate or the Press to the economic disabilities of the cultivator and to his 'poverty and misery', which, as often as not, are set down to the maleficent influence of a foreign Government. It is always difficult to determine the precise influence of Government upon the economic life of a country—both good and evil are commonly exaggerated—but if this book establishes anything, it is that such poverty as exists in the Punjab to-day has little to do with the activities of Government. The proof of this is that in the canal colonies, where these activities have been most marked, there is not only a complete absence of poverty, but a higher standard of rural prosperity than in probably any other country in Asia, not excepting Japan. Similarly, throughout the central Punjab, which with its network of road, rail and canal has felt the influence of the *Pax Britannica* to the full, there has been in the last twenty-five years a remarkable rise in the standard of living; while the only tract where the immemorial poverty of India still survives is the south-west, which has benefited less from British rule than any other part of the province.

But enquiry is needed not only to disprove the palpable fallacies of political prejudice, but still more to assure the welfare of three-fifths of the population of the province. In many ways the Punjab is singularly blessed. Its climate is dry, and, with its extremes of heat and cold, is largely accountable for the sturdy physique of the people. Twenty thousand miles of canals and distributaries, all made within the last sixty years, have secured one-third of the province from famine. The soil on the whole is fertile and produces two crops a year, and wheat, which is a more invigorating diet than rice, is abundant. But its greatest blessing is that it is a land of peasant proprietors. In the West there is a movement, which has grown in strength since the war, to substitute the peasant proprietor for the landlord, in the belief that the welfare of a country is closely linked with this form of agricultural organization. In the Punjab, the problem does not arise, for, except along the outer marches, the peasant proprietor is everywhere predominant. And, what

is more, he constitutes as fine raw material as can be found in any part of India.

Ignorant, no doubt, and unimaginative, and with a mind that is often as empty as the horizon that surrounds him, he has the virtues of a life spent in constant battle with the forces of nature. As tenacious as he is patient, the more he is buffeted, the harder he works, and, when circumstances are too strong for him, he will often join the army or seek his fortune abroad. Africa, Australia and America all know him well, and there is not a port in the Far East where he cannot be found earning a modest, but for him substantial, living as watchman, policeman or trader. Like all who live in primitive surroundings, he is hospitable to strangers, and, if sometimes a quarrelsome neighbour—he dearly loves a case in the courts—he is on the whole faithful to his wife and humane to his kin. Like the winter stream of the river upon which he often lives, he is sluggish in mind, but, like the same river in summer, when roused he will overflow with an energy and force that make him as dangerous to his oppressor in peace as he is to his enemy in war. He will then stick at nothing, and the very spirit that makes him the finest soldier in India renders him also capable of the most desperate crime. Otherwise he is sober enough, with a shrewd, picturesque humour which makes his language a joy to those who delight in vivid expression. He is rarely extravagant (except when he is marrying a child), though he is nearly always improvident; and in his way he is industrious, toiling, if need be, under a sun that would kill the thin-skulled white.

> 'Tis the life of quiet breath
> 'Tis the simple and the true
> Storm nor earthquake shattereth.[1]

So sang a great poet of the peasant proprietor of ancient Greece, and there is something of the same serene simplicity in the peasant of the Punjab which makes it impossible not to love and respect him. To three things he is passionately attached: his religion, his family and his land; and for one thing he cares nothing at all: politics; while there is one person he hates: the money-lender. It is upon the adjustment of these five factors that his future depends.

[1] Euripides, *The Bacchae* (tr. Gilbert Murray).

But the Punjab peasant is not quite what he was ten or twenty years ago. He has been through the great war, and no one who has had that experience is quite the same as he was before. The railway had already brought the modern world to his gates, but the war brought it to his sight. Nearly half a million Punjabis served, and most of them served abroad. The return of these men in their thousands could not fail to have an effect upon the village. Outwardly, the latter is unchanged; and, with its thick cluster of flat-roofed houses made of sun-dried bricks or clods of mud dug from the village pond, it still suggests the ant-heap or the hive rather than the home. But the great wind which has blown across the world since the war, laden with the pollen of new and strange ideas, has passed, ever so lightly, along its narrow, twisting lanes; and in the evening, when the day's toil is done and men gather at the village gate to smoke the hookah and exchange the latest gossip, the talk is no longer entirely of crops, cases and neighbours. The village is, in fact, stirring with a new spirit, which manifests itself in many different ways, some of them disconcerting enough to the administrator, but all inspired by an underlying desire for better conditions of life. At such a time, economic enquiry is essential, for, when an ancient structure is to be renovated or enlarged, the most careful preliminary survey is needed to prevent possible collapse, and thought and skill are required to make the new harmonize with the old. As long as the peasant was content with the conditions of his forefathers, it was sufficient that he had a paternal government to protect him in the satisfaction of his simple needs. But, now that he has tasted the comforts of a higher standard of living, his wants are multiplying, and to satisfy them he will have to look more and more to himself and less and less to Government; the more so that, as Government becomes more partisan and less paternal, opposing interests become more difficult to reconcile, and when this happens those who cannot look after themselves generally suffer. It behoves, therefore, all who have his interests at heart to study his needs, his desires and his resources, in order that he may have a sure and trusty guide along the path of progress.

Till recently, this path was closed to him, for he had neither the ability nor the inclination to follow it. Dominated by *kismet*, provided he had enough to eat and could marry his children and

was left in possession of his land, he cared little that another should reap the fruits of his toil, that petty officials had to be placated, that his village was insanitary, that he had neither hospital nor school, and that his roads were deeply rutted tracks often impassable after rain; or, if he cared, he felt powerless to prevent it. But now his eyes are slowly opening to his surroundings, and he is beginning to see the world in a new light, as a place in which everything is not inexorably fixed by fate, but in which change may be effected and conditions improved. It would be easy to exaggerate this awakening from the slumber of centuries, but the signs of it, though slight, are unmistakable and of profound import to the future of the province. Meanwhile, the tide of wealth that has been flowing into the Punjab for the last thirty or forty years continues to pass through the hands of the many, who have earned it by their toil, into the hands of the few, who acquire and retain it by their wit; and, as in the days of Sir Thomas Roe, the large fishes continue to eat up the small.[1] The professional money-lender, who, like Vespasian, believes that gold, from whatever quarter, 'never smells', is still a power in the land, and as a fresh thorn in the cultivator's side there has arisen the agriculturist money-lender, who is only less formidable than his rival. In spite of, or rather because of the growing prosperity, debt is increasing, and rates of interest are as high as ever. Marriage absorbs a full year's income, or more, of all but the richest, and the almost incredible fragmentation of land stultifies all talk of agricultural progress. The result is, the wealth, which might be made the basis of a national development as vigorous as that of Japan, threatens to become a disturbing, if not a corrupting, influence in the State. There are districts where its sudden influx has been more a curse than a blessing, and there are others where the weight of debt is so great that large sections of the people are virtually insolvent. An attempt has been made in the following pages to throw some light upon these problems, as well as upon others connected with them; but the field is too large, and the problems too complex, to be dealt with adequately in a single volume or by a single pen.

[1] The people of India 'live as fishes do in the sea—the great ones eat up the little' (Sir Thomas Roe, quoted by W. H. Moreland in *India at the Death of Akbar*, p. 269).

Enquiry, therefore, is needed, and in this enquiry the Muhammadan is more directly concerned than either Sikh or Hindu, for, forming 56 per cent of the rural population, he has necessarily to bear the major part of its debt. No individual can hope for the full development of his powers when heavily involved, and what is true of an individual is equally true of a community. It may well be doubted whether the Muhammadan community will be able to do full justice to itself as long as it is shackled with the chains of debt. And what makes the position worse is, that this debt is almost entirely owed to Hindu and Sikh, a fact which is not calculated to improve the relationship between Hindu and Muhammadan, for prolonged economic disability produces a sense of injury and distrust which makes good feeling impossible. Unfortunately, this communal rivalry is much the greatest obstacle to the development of the Punjab, for a house that is divided against itself cannot stand. This consideration alone shows how important is the subject of rural indebtedness. But the most important consideration of all is that the welfare of the peasant, whether Muhammadan, Sikh, or Hindu, is at stake, and that in India, unlike western Europe, the peasant is still the predominant unit of society.

If this book has been difficult to write, the difficulty would have been much greater but for the appearance, in 1922, of *The Wealth and Welfare of the Punjab*, by Mr. H. Calvert, I.C.S., a book which has throughout been my vade-mecum, and which is *indispensable to anyone seeking to understand the economic* conditions of the province. But my debt to the author extends beyond his book, for he has been kind enough to read almost everything that follows, and has made many valuable suggestions. I am also indebted to Mr. C. F. Strickland, I.C.S., for looking through several chapters; to Messrs. W. R. Wilson, I.C.S., and J. D. Anderson, I.C.S., for placing their unrivalled knowledge of the south-west Punjab at my disposal; to Sirdar Beant Singh, P.C.S., for reading the two chapters on the central Punjab; to Mr. J. G. Beazley, I.C.S., for reading the chapter on the Canal Colonies; to Mr. D. Milne, I.A.S., and other members of the Agricultural Department, for much useful information; and to the many members of the Co-operative Department, through whom most of my personal enquiries were made. For the maps I have to thank Messrs. B. M. Sullivan, O.B.E.,

and G. E. Francis; and for most of the illustrations Mr. S. M. Nasir, of the Punjab Agricultural College, at Lyallpur. I also acknowledge gratefully the consideration and courtesy consistently shown me by my publishers. It only remains to add that I am solely responsible for any opinion expressed in the book, and that Government has no concern whatever in its publication.

PREFACE TO SECOND EDITION

THE second edition differs from the first in one material respect. When the latter appeared in 1925, I had only had access to the works of the English and American authorities on rural economics. Since then, owing to the excellent library of the International Institute of riculture at Rome which I visited twice in 1925—I cordi acknowledge the courtesy and assistance of the staff—, I have been able to consult a considerable number of foreign authorities. This has enabled me to illustrate my theme and fortify my conclusions by frequent reference to the experience of Europe, and has led to the insertion in the concluding chapter of a passage[1] of some length on the conditions governing agricultural progress in India, a problem which the appointment of the Royal Commission on Agriculture has brought prominently forward. In this field, India has more to learn from Continental than from English and American writers, as the peasant, who is the bone and marrow of the country, is of far greater importance and an object of much closer study on the Continent of Europe than in either the United Kingdom or America.

Two other additions may be noted. One amplifies, in the light of recent enquiries, the very brief description previously given of the Northern Punjab,[2] and the other deals with the control of the money-lender by legislation.[3] An abortive attempt to legislate in 1925-26 made this, for the time being, a burning question in the Punjab; and as a further attempt may be made, I have thought it worth while briefly to collate the experience of other countries on the subject and consider its bearing upon the circumstances of the province. Numerous minor additions and changes have also been made, and all figures, so far as possible, brought up-to-date.[4] The most striking of these are those on page 176, where it will be seen that in 1924-25 more was spent upon the protection of the

[1] Pp. 285-98. [2] Pp. 86-91. [3] Pp. 228-34.
[4] See more especially pp. 29, 62-3, 177, 196, 227, 274-75, 277-78.

steel industry than upon the development of agriculture, though the one supports less than 300,000 persons and the other 224 millions. The contrast is characteristic of an age unduly pre-occupied with the claims of politics, industry and commerce and too little concerned with the more vital problems of agriculture. Happily, there are signs, notably in the Punjab, of the approach of a new era of agricultural development. The change is a mark of grace but not a guarantee of ultimate blessing, for development and progress (in the real sense of the word) are by no means identical and are sometimes opposed. It must be the aim of all those who cherish the spirit of India, which abides more in the village than the town, to make them one, so that what is good may be preserved and only what is bad eliminated. For this purpose, an indispensable preliminary is the study of the life and mind of the peasant; and it is as a step in this direction that this book was written and has now been revised and reprinted.

SYNOPSIS OF CONTENTS

CHAPTER I

THE EXTENT OF AGRICULTURAL DEBT IN THE PUNJAB

PAGE

Previous enquiries—(a) In the Punjab—(b) outside the Punjab—Origin of the enquiry—Different classes of cultivators—Debt in terms of land revenue—Percentage free of debt—Mortgage debt—Average debt—Total debt of proprietors in the Punjab—Comparison with Prussia—Larger and smaller proprietors compared—Indebtedness of tenants—Debt follows credit—Total agricultural debt of the Punjab—India's total rural debt—Its unproductive character—Land revenue and debt—Muhammadan debt—The remedy for debt—Summary of statistical results 1

CHAPTER II

FOUR SUBMONTANE DISTRICTS

Method of enquiry—The different tracts of the province—The submontane tract—Extent of debt—Hoshiarpur—Small holdings—Two examples—The peasant proprietor's alternatives—Fragmentation—Cattle mortality—Eastern and Western remedies—The village money-lender—Character and debt—The Rajput—The Jat—Rajput and Jat contrasted—The Jat's enterprise—Total debt of submontane districts—Fertility and debt—The burden of debt 21

CHAPTER III

THE CENTRAL PUNJAB

Summary of last chapter—Description of the tract—Debt in Jullundur—Its causes—How the small holder can keep out of debt—The Arain—Ferozepore—Demoralizing effects of prosperity—Drink—Purchase of brides—Their price—Polyandry and Infanticide—Is marriage expenditure a cause of debt?—Cost of marriage—Marriage 'on the cheap'—Expenditure on jewellery—The burden of social ceremonial 42

CHAPTER IV

THE CENTRAL PUNJAB—(*continued*)

Improvidence—The riverain tracts—Character of the people—Why mainly Muhammadan—Disease, over-population and debt—Extravagance and debt—Litigation—Volume and incidence of debt—Central and

PAGE

submontane districts compared—Prosperity and debt: Ferozepore and *Sialkot*—*Amritsar*—*Gujranwala* 65

CHAPTER V

THE NORTH AND SOUTH OF THE PUNJAB

THE NORTH

Description of the tract—Rawalpindi—Rawalpindi and Jhelum—*Importance of enterprise*—*Poverty and debt*—*Figures for the whole tract*—A primitive district—The Chhachh 82

THE SOUTHERN PUNJAB

Description of the tract—Famine—The bumper harvest—The people—*Extent of debt*—Insecurity of harvest—Its effect upon debt—Its effect upon credit—The soutnern and central Punjab compared—Its effect upon thrift—Meo and Ahir—Summary 91

CHAPTER VI

THE WESTERN PUNJAB

Description of the tract—River, canal and well—Insecurity—History of the tract—Thriftlessness—Landlord and *Pir*—The money-lending *Kirar*—Extent of debt—Multan—The small holder at his worst—Importance of subsidiary means of subsistence—Poverty of the people—Possible remedies 105

CHAPTER VII

THE CANAL COLONIES

The tract as it was—Foundation of the canal colonies—Financial benefits—Early difficulties—Choice of colonists—Objects of the colonies—Main types of colonists—The peasant proprietor—The yeoman and the landlord—Absenteeism—Possibilities of landlord and yeoman—The *co-operative farm*—The Janglis—Debt in the colonies—Difficulties of the Montgomery colonist—Causes of debt—Holdings in the colonies—Their size—Their compactness—Effect of high prices—Agricultural security—The growth of thrift—Remaining causes of debt 128

CHAPTER VIII

THE RISE IN THE STANDARD OF LIVING

Its importance—The old standard—A prosperous colony village—The rise in the standard of living in the colonies—The rise outside the colonies—Food—Clothing—Housing—The effect upon women—Does the cultivator work harder than before? 154

CHAPTER IX

AGRICULTURAL PROGRESS

PAGE

Possibilities—Indian fatalism—Effect of British rule—Religion and progress—Importance of organization in India—Agricultural and co-operative departments—Achievement: implements—Seed—4F Cotton—Difficulties of acclimatization—Growth of the commercial spirit—Progress outside the colonies—Example of Germany and France—The Land Alienation Act—The townsman as landlord—Amendment of the Act—Punjab compared with Japan—Japanese organization—The industrial system in Japan—Agricultural debt compared 170

CHAPTER X

THE MONEY-LENDER

Recapitulation of the causes of debt—Money-lending in the past—Its origin in famine—The effects of this—Money-lending in India—Prior to British rule—Restraints upon the money-lender—Effects of British rule—Influence of civil courts—The rise in the value of land—Change in (a) The cultivator's legal position—(b) His economic position—The money-lending castes—The Bania—The Khatri—The Arora 195

CHAPTER XI

THE MONEY-LENDER'S SYSTEM

The money-lender's objects—Rates of interest—Compound interest—Dealings in grain—Muzaffargarh—Malpractices in backward areas—Outside the Punjab—The cultivator as a borrower—Effect of fall in prices—The agriculturist money-lender—Legislation against the money-lender in the Punjab—In Europe and America—Is legislation advisable in the Punjab? 214

CHAPTER XII

PROSPERITY AND DEBT

Prosperity of the province—Increase in debt—Expansion of credit—Debt follows credit—Experience outside the Punjab—Effect of high prices—The rise in the standard of living—Increased cost of marriage—Land revenue and debt—The causes of debt summarized—Debt in the canal colonies—Prosperity and insecurity of harvest—Does prosperity demoralize? 235

CHAPTER XIII

CO-OPERATION

PAGE

The need—The co-operative organization—Difficulties of organization—Bad societies and their defects—The peasant's difficulties—Ignorance of business—Results—Reduction of debt—Other material benefits—Consolidation of holdings—Signs of moral progress—Education—Arbitration societies—Thrift—Miscellaneous societies ... 260

CHAPTER XIV

CONCLUSIONS

The bondage of debt—Difficulties of the small holder—Co-operation—Prosperity and its dangers—Agricultural progress—Research and demonstration—Consolidation of holdings—Sub-division of holdings—Intensive farming—The landlord—The aim of progress—Importance of organization—The problem of population—The dawn of self-consciousness 279

LIST OF AUTHORITIES 301

GLOSSARY 305

INDEX 307

LIST OF ILLUSTRATIONS

A PUNJAB PEASANT WITH HIS PLOUGH .. .. .. Frontispiece

Facing Page

A TYPICAL VILLAGE SCENE 42

THE VILLAGE WELL 156

CHURNING 165

AN ARORA MONEY-LENDER AND ONE OF HIS VICTIMS 212

MAPS

THE PUNJAB 21

THE CANAL COLONIES 128

FIELD MAP OF BHOYAPUR—BEFORE CONSOLIDATION 272

FIELD MAP OF BHOYAPUR—AFTER CONSOLIDATION 273

CHAPTER I

COIMBATORE

THE EXTENT OF AGRICULTURAL DEBT IN THE PUNJAB

Previous Enquiries, (a) in the Punjab

IN the Punjab, though agriculture is still the only industry of any importance, there is almost no information available as to the extent to which the cultivator is in debt. From time to time enterprising settlement officers have attempted to collect figures for their districts, but for the most part despair of their accuracy has compelled them either to abandon the attempt or to admit that little reliance could be placed on the results.[1] Apart from this, only the following specific enquiries would appear to have been made :—

1. In 1876, the indebtedness of 61 villages in Hoshiarpur was ascertained.[2]

2. In 1878, in connection with the famine of that year, 223 family budgets were collected from different parts of the Punjab.[3]

3. In 1896, Mr. S. S. Thorburn, the brilliant author of *Mussulmans and Money-lenders in the Punjab,* undertook an exhaustive enquiry into the circumstances of twelve villages in the districts of Shahpur, Gujranwala and Sialkot.[4]

4. Finally, in 1919 and 1920, two villages in Hoshiarpur were carefully surveyed.[5]

Of these enquiries Mr. Thorburn's is the most valuable, as it was devoted entirely to the question of indebtedness; but it covers too narrow a field for any conclusions to be based on it for the province as a whole, and it is also out of date.

[1] The most recent settlements are an exception.

[2] See *Hoshiarpur Gazetteer*, 1883-84, p. 73.

[3] See the *Punjab Famine Report*, 1878-79.

[4] See *Report on Peasant Indebtedness and Land Alienations to Money-lenders in parts of the Rawalpindi Division*, 1896.

[5] See *The Economic Life of a Punjab Village*, 1920, by E. D. Lucas; and *An Economic Survey of Bairampur*, 1923, by R. L. Bhalla.

(b) Outside the Punjab

Outside the Punjab, there is the same dearth of exact information. The simplest way to show this is to enumerate the areas in which enquiry has been made. These are as follows :—

1. 1875, twelve villages in Ahmednagar.[1]
2. 1894, Nagpur (18,000 tenants).[2]
3. 1906-10, Faridpur, a district of Bengal, in which the late Major J. C. Jack, I.C.S., made a house-to-house enquiry throughout the district.[3]
4. 1913, Baroda State (a general enquiry made by the Baroda Darbar).[4]
5. 1917-19, Pimpla Saudagar and Jategaon Budruk, two villages in the Deccan, which were exhaustively surveyed by Dr. H. H. Mann.[5]

6.	1918, Ajmer-Merwara[6]	10,779	members of co-operative societies.
7.	1919, Mysore State[7]	24,350	
8.	1919, Bengal[8]	4,000	

These enquiries comprise all the information that is readily available for over 250 million people, and in most cases the information is of the scantiest. So far as rural debt is concerned, Major Jack's enquiry is the most useful, but it did not cover more than a district, whereas the enquiry which is about to be described embraced the best part of a province.

Origin of the Enquiry

In 1917, when I first came into contact with co-operation, I was struck by the fact that, though its primary object was to reduce debt, no one knew how far or to what extent debt prevailed. About the same time, to assist village banks in making advances to their members, a register was introduced in which the assets and liabilities of each member were recorded, including his debts. It was, therefore, a comparatively simple matter to ascertain how far co-operators were in debt. This was done

[1] *Report of the Deccan Riots Commission*, 1875.

[2] Central Provinces Government Letter No. 4423, dated 10 October, 1894.

[3] *The Economic Life of a Bengal District*, 1916 (new impression, 1927).

during the year 1918-19 in the case of 55,308 members belonging to 2,106 societies. The returns were prepared according to a prescribed form by inspectors of the Co-operative Department, all educated men and many of them graduates. The results may consequently be trusted. Necessarily only co-operators were considered, but as they include all sections of the agricultural community, this is not a serious drawback. If the figures err at all, it is not on the side of exaggeration: subsequent official enquiry leaves little doubt as to this.

Different Classes of Cultivators

In tabulating the returns, members were classified in three categories, viz., proprietors, occupancy tenants, and tenants at will, farm servants, etc. A further distinction was drawn between proprietors who owned or cultivated eight acres or less and those with more than this. Eight acres was taken as the dividing line, as, according to the only figures then available, this appeared to be the size of the average cultivated holding in the Punjab.[1] This means that where holdings are unusually small, as in the central and submontane districts, the average is not more than five or six acres, while in others it may be as much as ten or twelve. Much depends upon irrigation and rainfall: in Jullundur, where 54 per cent of the cultivated area is irrigated by wells, and in the submontane districts of Rawalpindi, Kangra and Hoshiarpur, where the rainfall is over thirty inches, the average varies from two to five acres; but along the borders of Bikaner, where the rainfall is only fourteen inches, it exceeds eighty acres.[2] This, however, is an exceptional case, and there are in fact few tehsils where the average

[1] Recent enquiry into the size of cultivated holdings in the Punjab gives the following results, which however, being based upon only 7 per cent of the cultivated area of the province, must be accepted with caution (*The Agricultural Journal of India*, March 1926, p. 109) :—

SIZE OF HOLDING		PERCENTAGE OF CULTIVATORS
One acre or less	...	23
From one to five acres	...	33
From five to ten acres	...	20
Over ten acres	...	24

[2] In the two tehsils of Sirsa (Hissar) and Fazilka (Ferozepore) the average is 60 and 84 acres respectively.

is more than ten acres. The Punjab is mainly a country of peasant proprietors, and the problem of debt is almost entirely the problem of *how to maintain the peasant proprietor upon his* land in freedom and comfort. How interesting and difficult this problem is, it will be one of the main objects of this book to show.

Debt in Terms of Land Revenue

Before concluding these introductory remarks, a final point must be noted. It is not enough to know how much a man is in debt. We must also find out, if we can, whether he is seriously involved. The best way to do this is to work out his family budget. In a limited number of cases this has been done,[1] but for over 50,000 people it was obviously impossible. For the mass we must content ourselves with some rough-and-ready standard of general resources. For landowners—and this book deals almost entirely with them—much the best measure of debt is the land revenue, for, broadly speaking, the amount of land revenue a man pays varies with the yield of his land. Viewed as such, it is a form of income-tax and is not a bad indication of his general position. Accordingly, in the tables that follow, not only will the amount of debt be stated, but also the ratio it bears to land revenue. This will give us some idea of the pressure of debt in different tracts, and allow one tract to be compared with another. If, for instance, we find that in two districts the amount of debt per head is identical, but that in one district it is twenty times the land revenue and in the other only ten, it is a fair conclusion that the former is twice as heavily involved as the latter. The importance of this will be evident later. We come now to the figures themselves.

Indebtedness of Proprietors

The figures for proprietors are as follow:—

No. of proprietors concerned	Percentage free of debt	Total debt (in lakhs)	Mortgage debt (in lakhs)	Average debt per *indebted* proprietor	Debt's multiple of the land revenue
43,733	17	168	67	Rs. 463	12

[1] Owing to considerations of space the results have not been given.

Salient Points

There are four salient points, about each of which something must be said, viz. :—

1. Only 17 per cent are free of debt.
2. Net mortgage debt is not more than 40 per cent of the whole.
3. The average debt per *indebted* proprietor is Rs. 463.
4. *Total debt represents twelve times the land revenue paid* by all concerned, whether indebted or not.[1]

The Percentage Free of Debt

Few, if any, competent judges have supposed that over 80 per cent of the proprietors of the Punjab are in debt.[2] Yet this is what the enquiry suggests. The fact emphasizes the truth of Sir Frederick Nicholson's dictum, that 'the necessary complement of the peasant proprietor is the money-lender',[3] and it explains, too, why there are innumerable money-lenders in the province. In none of the six circles into which the province has been divided for the purpose of this enquiry are more than 26 per cent free of debt, and in two districts of the submontane area all but 5 per cent are involved. Even Mr. Thorburn's enquiry of 1896, which moreover was confined to specially impoverished villages, did not give quite so bad a result as this, for out of 338 owners 12 per cent were not in debt.

It would be interesting to compare the Punjab with the

[1] *In calculating average debt, those entirely free of debt have been* excluded ; but in calculating debt in terms of land revenue, all are included. This has been done throughout.

[2] The *Punjab Famine Report* of 1878–79 contains the following estimates of the percentage of proprietors free of debt :—

Gujranwala	...	...	20
Gurdaspur	...	...	25
Gurgaon	...	...	38
Muzaffargarh	...	...	39
Hoshiarpur	...	...	30
Multan	...	...	50
Dera Ghazi Khan	...	...	33
Jhang	...	...	50 to 60

With regard to Hoshiarpur, it is an interesting coincidence that in the present enquiry, which embraced over 3,000 proprietors in this district, exactly the same proportion was found to be free of debt.

[3] *Report on Land and Agricultural Banks*, i, 40.

rest of India, but very few figures are available for the purpose. I give below all I have been able to discover :—

	Percentage free of Debt
1874, Central Provinces[1]	60
1888, the tenantry in the Agra District[2]...	22
1894, Nagpur (18,000 tenants)[3] ...	40
1901, Baroda State[4]	40 (of all landowners)
1907, Faridpur (Bengal)[5]	55 (of all cultivators)
1919, Mysore State (24,350 co-operators)[6]	37

These figures suggest that debt is more widespread in the Punjab than elsewhere. On the other hand, there is the opinion of the Famine Commission of 1901 that at least four-fifths of the cultivators in the Bombay Presidency are in debt, an estimate which, curiously enough, tallies almost exactly with the figure for the Punjab. But whether conditions in the Punjab are better or worse than in the rest of India, it is clear that the money-lender spreads his net over the whole country.

Mortgage Debt

Net mortgage debt is only 40 per cent of the whole, and, though it varies from district to district, there are only two (Hoshiarpur and Jullundur) in which it is more than 50 per cent. Some explanation, however, is necessary before any conclusion about mortgage debt can be drawn. In the first place, *net* mortgage debt is somewhat less than mortgage debt as ordinarily calculated, for in every case in which land has been taken, as well as given, in mortgage, the consideration for the one has been deducted from the consideration for the other. Secondly, some allowance must be made for the fact that the Land Alienation

[1] See *Note by Commissioner of Settlements and Agriculture, Central Provinces*, dated 15 January, 1889, in which over one-third of the proprietors were said to be in debt in 1874. In 1892, 63 per cent out of 5,524 ryots living in 174 villages in one of the most indebted districts of the Central Provinces (Wardha) were found to be free of debt (*Commissioner's Memo.*, dated 29 September, 1892).

[2] Morison, *Indian Industrial Organization*, p. 103.

[3] Central Provinces Government letter already quoted.

[4] Baroda State, op. cit. In 1913 the percentage was thought to be much lower, but the exact figure was not ascertained.

[5] Jack, op. cit., p. 98.

[6] Mysore State, op. cit.

Act debars a non-agriculturist from holding a mortgage for more than twenty years. At the end of this period the mortgage automatically lapses without any payment on account of redemption, which means that the nominal value of a debt secured in this way varies with the age of the mortgage. It was impossible to allow for this in the enquiry, but the fact is of little consequence, for, except in two or three districts, this kind of mortgage is comparatively rare. A more important consideration is that over 9,000 cases belong to Jullundur and Hoshiarpur, where the mortgage loan appears to be commoner than anywhere else. In these two districts, the net mortgage debt is over 60 per cent of the whole against only 37 per cent in the north (Rawalpindi, Jhelum and Attock) and less than 30 in the south (Rohtak, Karnal and Hissar). Bearing in mind these different factors, we may estimate the gross mortgage debt of the province at 45 per cent of the whole;[1] and, allowing (at a guess) another 5 per cent for other forms of security, such as jewellery, we may say that half the total debt of the Punjab is unsecured.

At first sight it is surprising that the money-lender should have been willing to advance large sums without security to a body of cultivators more distinguished for improvidence than for punctual dealing, and that, too, in a country peculiarly liable to the devastating effects of drought and disease. There are several reasons for this. Before British rule the communal ownership of land made mortgage difficult, and it was only in the valley of the Indus, where individual rights were common, that it was at all frequent.[2] This was by no means to the disadvantage of the money-lender, as might be supposed, for, being a non-agriculturist, he did not desire the land so much as its produce, which he obtained by the simple process of taking payment in grain. Moreover, by forgoing security he could demand a higher rate of interest—an unsecured loan costs twice as much as one secured by mortgage; nor did he run any serious risk, as he had ample security in the triple chain of caste, custom

[1] In 1895 Sir F. Nicholson estimated the rural mortgage debt of the Madras Presidency at 20 crores out of a total debt of 45 crores, which gives approximately the same percentage (op. cit., i, 20).

[2] See *Dera Ismail Khan Settlement Report*, 1872–79, p. 363.

and character, which in India binds the cultivator to the soil: only the direst necessity will make the peasant part with his land, and a person who will not part with his land must sooner or later pay his debts. Recently, it is true, new forces have appeared which are calculated to cause the money-lender some anxiety about his capital, but this belongs to the future rather than to the past (see Ch. X). Meanwhile, the cultivator is loath to mortgage his land, fearing always that it may be the first step towards sale.[1] A mortgage, too, entails publicity, and publicity may damage his *izzat*,[2] which may be an important factor in marrying his children. He has, therefore, always been anxious to throw the *pardah*[3] over his debts, a characteristic that proved at first a serious obstacle to the spread of co-operative credit in India. Now, however, the peasant is beginning to realize that it is better business to borrow on a mortgage at 9 or 12 per cent, even though the fact may be known, than to pay twice this amount for the doubtful advantage of keeping his land unencumbered and his debt concealed. This tendency is naturally more evident in advanced districts, like Hoshiarpur and Jullundur, than in the more backward districts of the north and south, and no doubt it partially explains the high percentage of mortgage debt in the former. In short, a high proportion of unsecured debt is an indication that rural finance is in a primitive state, and is good for neither borrower nor lender. The borrower is apt to jump at a loan which can be had by the simple process of applying a thumb-mark to a bond, but thinks twice about it when he has to pledge the land he adores. Similarly, the money-lender is tempted to make reckless advances by the high rate of interest commonly charged when no security is taken. It is, therefore, a good sign that in some districts the proportion of secured to unsecured debt shows a tendency to rise.

If, as enquiry suggests, three-quarters of those who cultivate in the Punjab cultivate ten acres or less,[4] an average of Rs. 463

[1] Cf.—'The debtor defers mortgaging his land as long as he can, probably because he knows that when it is once mortgaged he will find it very difficult to raise money from others and because experience has shown him that the mortgage is the beginning of transfer to the *Sahukar*' (*Deccan Riots Commission Report*, 1876).

[2] Social position. [3] Veil. [4] See first footnote, p. 3.

per indebted proprietor is obviously considerable. But a figure standing by itself is of little value. Let us, therefore, compare it with the results of the enquiries that have already been mentioned.

Average Debt

These can best be expressed as follows :—

PUNJAB	AVERAGE DEBT	
(1) 1896, nine villages in Sialkot, Gujranwala and Shahpur (Mr. Thorburn's enquiry)	Rs. 562	per indebted owner
(2) 1918, 43,733 proprietors (present enquiry)	(a) 463	per indebted owner
	(b) 385	per owner
OUTSIDE THE PUNJAB		
(3) 1875, 12 villages in Ahmednagar ...	371	per occupant
(4) 1907, Faridpur District	121	per indebted cultivator
(5) 1913, Baroda State	450	per indebted holding
(6) 1917, Pimpla Saudagar village (Deccan)	225	per indebted family
(7) 1918, Ajmer-Merwara (10,779 co-operators)	379	per co-operator
(8) 1919, Bengal (4,000 co-operators) ...	120	per co-operator
(9) 1919, Mysore (24,350 co-operators) ...	273	per indebted co-operator

No doubt figures collected in widely-scattered areas, at different times and under varying conditions, can have but little comparative value; but these at least show that debt in the Punjab is not insignificant. The most instructive for our purpose is the first, as it not only relates to the Punjab but is the result of exact enquiry. It is naturally higher than my figure, as the nine villages in question were seriously involved. It is even higher than appears, as in 1896, owing to the greater value of money, a debt of Rs. 562 was a much more serious affair than it would be now. The Ajmer figure, too, is interesting, as it relates to a tract not very far from the Punjab and is almost identical in amount.

For the province as a whole, debt is twelve times the land revenue, which means that the total debt of the proprietors of the Punjab is about 55 crores.[1] Actually, however, there is good reason to believe that this is below the mark. In 1921, the total mortgage debt of the province (excluding occupancy

Total Debt of Proprietors in the Punjab

[1] On the average of the three years ending 1922 land revenue amounts to 4·86 crores (*Punjab Land Revenue Administration Report*, Statement iv, col. 10). This includes 35 lakhs enjoyed by assignees.

tenants) was ascertained to be 34½ crores,[1] which means that total debt is 77 crores, mortgage debt being 45 per cent of the whole. To be on the safe side, we may put it at 75 crores, which is 15½ times the land revenue. With this multiple as our standard we can form some idea of the pressure of debt upon the individual proprietor. The land revenue demand absorbs about one-fifth of the net income of the land.[2] Accordingly, a multiple of 15½ means that the average proprietor's debt is equal to about three years of his *net* income. Viewed thus, the burden can hardly be regarded as light; on the other hand, if debt and sale value are compared, the burden can hardly be regarded as heavy, for in the four years ending 1925 the average price fetched by land amounted to 288 times the land revenue payable upon it.[3] It is, however, fairer to express debt in terms of net income rather than of sale value, as the latter is notoriously inflated and bears little relation to yield.

Comparison with Prussia

At the same time, it cannot be too clearly emphasized that in any Western country a debt of 75 crores or £50 millions would be considered a very small one for a province of 21 million inhabitants. In Prussia, a country with a population of 35 millions, landowners' debt in 1902 amounted to £377 millions, and in a single year (1913) net mortgage debt in rural areas increased

[1] The figure (37 crores) given in the *Land Revenue Administration Report* for 1922 (p. 28) includes mortgage by occupancy tenants.

[2] The percentage of the land revenue demand to total net assets in the last ten settlements is as follows :—

1915	Ferozepore	20
1916	Gujrat	21½
	Lahore	22
1917	Jullundur	21
	Sialkot	31½
1919	Dera Ghazi Khan	26
1920	Multan	36
	Ambala	25
1921	Sirsa	22
	Montgomery	31

These figures give an average of 25·7 per cent. I have taken 20 per cent above, as in calculating net assets settlement officers are extremely cautious; also in the last five years prices have risen.

[3] *Ibid.*, 1925, Statement xxvi.

by nearly £40 millions, that is to say, by an amount which is not far short of the total debt of the proprietors of the Punjab. Yet, before the war, Prussia was as strong in agriculture as any country in the world. It is one of the complexities of the subject that debt may be as much an indication of prosperity as of poverty. No poor country can support a heavy debt, for debt rests upon credit, and the poorer the country the lower its credit.

The enquiry made in Prussia in 1902 was exhaustive, and some of its results are worth comparing with those for the Punjab. This is done in the following table:—

	Punjab	Prussia[1]
Proprietors (families) ...	1,500,000 (round)[2]	628,876
Total debt	75 crores	563 crores
Average debt per proprietor	Rs. 463	Rs. 9,000 (£600)
Free of all debt ...	17 per cent	29½ per cent
Average holding ...	8 acres[3]	82½ acres

It will be seen that the average holding in Prussia is about ten times as large as it is in the Punjab: it is, therefore, fairer to compare debt per acre than per proprietor. Even so, the difference is marked, for in Prussia it is four times as heavy as in the Punjab, averaging Rs. 105 (£7) an acre against Rs. 26 in the latter.[4] Another point that may be noted is the number of proprietors entirely free of debt. The percentage in Prussia (29½) is nearly twice as great, and in the Punjab is only equalled in a few of the more prosperous districts, such as Hoshiarpur

[1] Figures given me by Professor Max Sering (University of Berlin).

[2] The number of proprietors is unfortunately unknown. Col. 5 of Statement iii of the *Land Revenue Administration Report* is misleading, as it includes many owners more than once. The figure given above is based upon the Census returns. In 1911 rent receivers and cultivating proprietors formed 34 per cent of the whole population (*Punjab Census Report*, 1911, p. 494). Applying this percentage to the population for 1921, we get a total of 7,032,900 proprietors (with dependents), i.e. about 1,500,000 families (at 4·5 per family).

[3] See first footnote, p. 3.

[4] The cultivated area of the Punjab was about 29 million acres when this enquiry was made.

and Jullundur. In Prussia, too, the percentage is much higher for small holders than for large, whereas in the Punjab, as we shall see, there is little to choose between the two, which suggests that the small holder in Prussia is more provident, or at least a better man of business, than he is in the Punjab. Considering that in 1902 the agricultural population of Prussia was probably not more than 50 per cent larger than that of the Punjab,[1] the debt of the latter, in volume at least, compares favourably enough with that of the former.

Larger and Smaller Proprietors compared

The method followed in this enquiry enables a comparison to be made between the larger and the smaller proprietor. As stated above (p. 3), the dividing line between the two has been taken at eight acres. All who own or cultivate more than this have been classified separately from those who own or cultivate less. The results may be summarized as follows:—

——	Number	Percentage free of debt	Percentage of mortgage debt to total debt	Average debt	Debt's multiple of land revenue
Larger Proprietors ...	25,840	18	40	Rs. 570	10
Smaller ,, ...	17,180	17	40	Rs. 310	27

It will be seen that virtually as many large proprietors are in debt as small, and that in both cases mortgage debt is only 40 per cent of the whole. On the other hand, the larger proprietor is both more highly in debt and less seriously involved than the smaller. Though he owes Rs. 570, his debt is only ten times the land revenue, while the corresponding figures for the smaller proprietor are Rs. 310 and 27. Every district for which ample returns are available gives the same result, as

[1] In 1900, the total population of Prussia was 34,472,501, from which must be deducted the large urban population. The total population of the Punjab (1921) is 20,685,024.

the following tables show. The first shows that in every case the larger holder is more *highly* indebted than the smaller :—

District	Larger Proprietors		Smaller Proprietors	
	Number	Average debt per indebted proprietor	Number	Average debt per indebted proprietor
		Rs.		Rs.
Sialkot	1,874	547	651	326
Gurdaspur ...	3,039	461	1,564	368
Hoshiarpur ...	1,043	1,090	1,975	470
Ambala	1,367	566	870	324
Lahore	713	865	686	387
Jullundur ...	2,428	639	3,841	278
Ferozepore ...	1,207	902	734	298
Gujrat	946	436	691	243
Rawalpindi ...	671	218	1,040	144
Rohtak	2,277	569	1,800	367

Similarly, the second shows that the smaller proprietor is more *heavily* involved :—

District	Debt's multiple of land revenue	
	Larger proprietors	Smaller proprietors
Sialkot	15	31
Gurdaspur	19	36
Hoshiarpur	15	33
Ambala	23	52
Lahore	18	46
Jullundur	11	20
Ferozepore	17	46
Gujrat	10	22
Rawalpindi	5	25
Rohtak	13	43

It is clear that, though the larger proprietor is more highly indebted, the smaller is more heavily involved. In each of these ten districts the smaller proprietor owes less, but his debt expressed in terms of land revenue is two or three times as great. It is evidently much harder for the smaller proprietor to remain solvent than for the larger, and in the course of this study it will be shown that it is only possible if he is exceptionally industrious or has some extraneous source of income such as

military service. And here we may note that these figures confirm what has already been stated, that in the Punjab the problem of debt is mainly the problem of the small proprietor, for 40 per cent of our 43,000 proprietors own or cultivate eight acres or less.

This book deals almost exclusively with proprietors, but, as the enquiry included nearly 12,000 tenants, farm servants, etc., figures for them will also be given. Tenants in the Punjab fall into two main classes, namely, the ordinary tenant at will, and the hereditary tenant who, subject to the payment of rent, has a permanent right to cultivate his land. The latter is called an 'occupancy tenant' and has almost the status of a small proprietor. Over 4,000 of them came under enquiry, the results of which are given below side by side with the corresponding figures for small proprietors :—

Indebtedness of Tenants

	Occupancy tenants	Small proprietors
Percentage free of debt ...	20	17
Average debt per indebted tenant	Rs. 290	Rs. 310
Percentage of mortgage debt to total debt	25	40

The figures show that there is little to choose between either class. The small proprietor raises rather more by mortgage, no doubt because he owns his land, and is a trifle more in debt, but debt is almost as widespread in the one case as in the other.

In addition we have figures for 7,500 ordinary tenants, farm servants, etc., many of whom are village menials. Twenty-two per cent are free of debt, and the remainder owe an average of Rs. 135 each, which is less than half the amount owed by occupancy tenants.

Debt follows Credit

The main interest of these figures lies in the fact that they illustrate the truth of the statement, that debt follows credit. This will be seen from the following table :—

			Average debt
Large proprietors	...	...	570
Small proprietors	...	...	310
Occupancy tenants	...	...	290
Tenants at will	...	...	135

The larger proprietor borrows more than the small, and the small proprietor more than the tenant. The tenant at will and farm servant borrow little, because they have little security to offer; the large proprietor borrows much, because he has ample security to offer. No doubt his needs are greater, but where resources are ample, needs are apt to be dictated more by 'wants' than by necessity. This conclusion is in general agreement with the results of other enquiries. 'It is commonly observed,' says the Indian Famine Commission of 1879, 'that landholders are more indebted than tenants with occupancy rights, and tenants with rights than tenants at will.'[1] Mr. Thorburn found that the hopelessly involved were mostly amongst the smallest holders, and that the larger debts were incurred by the larger owners.[2] Similarly, in Faridpur, Major Jack found that nearly half the debt had been incurred by cultivators in comfortable circumstances, and that 48 per cent of the poorest class had no debt at all. The villager's remark, when asked how much he was in debt, that he was too poor to have a debt, explains the reason for this and goes to the root of the matter. No one but a fool or a philanthropist will lend to a pauper. Debit and credit go hand in hand. Before there can be the one there must be the other, and in a country where the standard of education is low and the system of money-lending bad, the better a farmer's credit the more he will borrow. The *existence* of debt, as we shall see, is due to necessity, but its *volume* depends upon credit, and the link between the two is the money-lender. It is important to grasp this fundamental fact of rural finance, as it is the key to the paradox that prosperity and debt are intimately connected. England could not have borrowed £8,000 millions during the war had she been a less prosperous country; nor, to compare small with great, could the Punjab support her infinitely smaller debt were she as poor as some would have us believe. This connection between prosperity and debt is so important that it is treated at length in a separate chapter.

It is now possible to estimate the total agricultural debt of

[1] *Report*, ii, 131.
[2] Op. cit., p. 32.

the Punjab. From the census report of 1911,[1] there would appear to be about one million families of tenants and farm servants, etc., who are dependent upon agriculture, but own no land.[2] According to my enquiry the average debt of tenants of all kinds, whether indebted or not, is Rs. 150 per family. A total debt of fifteen crores may, therefore, be assumed for agriculturists who are not proprietors. Adding this to the 75 crores estimated for the latter, we get a total of 90 crores, or £60 millions, for the agriculturists of the province.[3]

Total Agricultural Debt of the Punjab

A debt of ninety crores is equivalent to a debt of Rs. 75 per head of those who are supported by agriculture.[4] If the average income of the latter were known, we should have an accurate measure of the burden of debt, but unfortunately it has never been ascertained. In Madras and Bombay, however, it has recently been calculated that the income[5] of the rural classes is about Rs. 75 per head.[6] In the Punjab, which is agriculturally the most prosperous part of India, the amount will certainly be higher. We may, therefore, conclude that debt is less than a year's income of those who are dependent on agriculture. This conclusion becomes almost a certainty if we consider debt in terms of agricultural produce. For the three years ending 1922-23, the average annual gross value of the latter is estimated at 128 crores (£86 millions), which is 42 per cent more than the total debt.[7]

It would be a matter of the highest interest if the agricultural debt of the Punjab could be compared with that of other provinces; but, in spite of all that has been written on the subject, so little is known about indebtedness in India that the only provincial

India's Total Rural Debt

[1] Paragraph 600.

[2] Applying the percentages given on p. 494 of the Census Report of 1911 to the population of 1921, we get 1,103,200 (round) as the number of families, 4·5 persons being assumed per family.

[3] For a comparison with Japan, see p. 193 ; compare also Italy, which in 1911 with a population of 34·7 millions had a rural mortgage debt of about £74 millions (A. Mortara, *I Doveri della Proprietà Fondiaria*, 1912, p. 295).

[4] 11,864,688 (*Census of India, 1921*, xv, 375).

[5] Calculated by dividing the gross income of a family *minus* agricultural expenditure by the total number of persons in the family.

[6] Rushbrook Williams, *India in 1924-25*, p. 235.

[7] This estimate was kindly worked out for me by the Director of Land Records, Punjab.

figure available is Sir Frederick Nicholson's for Madras. In 1895, he estimated the total rural debt of the province at 45 crores,[1] and on the basis of this estimate Sir Edward Maclagan reckoned in 1911 that the total agricultural debt of British India was roughly 300 crores.[2] We are likely to arrive at a more correct estimate if we take as our basis the Punjab figure of to-day rather than the Madras figure of over thirty years ago. The Punjab figure (90 crores) is nineteen times the land revenue of the province. Applying this multiple to the land revenue of British India (including Burma), we get a debt of 674 crores.[3] There is, however, reason to believe that the Punjab is more highly indebted than most parts of rural India. Various things suggest this: for instance, the comparative tables given above;[4] the number of money-lenders, which in proportion to population is three times as great in the Punjab as in the rest of British India,[5] and the special legislation that has had to be passed to protect the cultivator against the money-lender. Instead, therefore, of taking a multiple of 19 it will be safer to take one of 17. This gives a total of 603 crores. The amount is probably higher, as, wherever there is a permanent settlement, land revenue is on a much lower scale than elsewhere;[6] nor does the land revenue figure taken for British India include land revenue enjoyed by assignees, though it does in the case of the Punjab. Further, if we apply the Punjab figure in terms of population, we get a total of 1,080 crores, for the rural population of the Punjab is only one-twelfth of that of British India. Very tentatively, therefore, we may say that the total rural debt of British India, with its population of 247 millions, is not less than 600 crores.[7]

This figure is not in itself alarming. It is little more than

[1] Op. cit., p. 120.

[2] *Note on Agricultural Indebtedness in India*, p. 2.

[3] In 1923–24, the land revenue of British India amounted to 35·45 crores.

[4] Pp. 6 and 9.

[5] See Chapter x.

[6] For instance, in Bengal land revenue averages only 10¼ annas per head against 37 annas in the Punjab (*Statistical Abstract for British India*, 1923, p. 353).

[7] Equivalent, with a sixteen-penny rupee, to £450 millions.

the amount owed by the 628,000 proprietors of Prussia in 1902, and is less than the £475 millions owed by the farmers of the United States in 1910.[1] The serious feature of the case is that a large part of the debt is unproductive. In the Punjab from 33 to 50 per cent of it is probably due to compound interest and to the vicious system of money-lending described in Chapter XI. An appreciable amount is also the result of extravagant expenditure upon marriages, upon which there are few who do not spend at least a year's income whenever they marry a son.[2] Only the smallest fraction, almost certainly less than 5 per cent, is due to land improvement.[3] If the whole agriculture of the province had to be supported on borrowed capital, existing debt would be sufficient for the purpose, for farming in the Punjab is said to require only Rs. 30 an acre,[4] whereas debt per cultivated acre amounts to Rs. 31. Actually most of the live and dead stock required for farming belongs to the cultivator, and much of it has been acquired without recourse to the money-lender. It follows that unproductive debt is much larger than it need be. One of the disadvantages of unproductive debt is that it tends to increase automatically. Productive debt by fertilising the soil creates its own means of repayment, but unproductive debt is apt to be repaid with difficulty. Where, too, it is common, rates of interest are high and interest has constantly to be added to principal. In the Punjab, the average rate of interest is probably not less than 15 per cent.[5] With a debt of ninety crores this involves an annual charge of 13½ crores, an amount which is nearly three times as great as the whole land revenue of the province (4·86 crores). It would be surprising if in such circumstances debt showed no signs of increasing. There is, indeed, every reason to believe that in the last twenty years it has increased considerably. This very important aspect of the subject is discussed at length elsewhere.[6]

Its Unproductive Character

[1] See E. G. Nourse, *Agricultural Economics*, p. 721.

[2] See p. 54 *et seq.*

[3] Sir F. Nicholson states that in Madras only 1·3 of registered loans was for the improvement of land (op. cit., p. 18).

[4] See Roberts and Faulkner, *A Text-book of Punjab Agriculture*, 1921, p. 4.

[5] For rates of interest see Chapter xi.

[6] Chapter xii.

Much is said in certain quarters about the burden of land revenue, but it is nothing compared with the burden of debt.

Land Revenue and Debt

Land revenue averages only Re. 1-13-0 per cultivated acre[1] and less than Rs. 4 per head of those who are supported by agriculture. Compare this with the corresponding figures for debt, which are Rs. 31 and Rs. 76 respectively; in both cases land revenue is less than 6 per cent of the amount. This should be sufficient proof that it is not an important cause of debt. The contrary, however, is so frequently stated that the point will be considered in detail in another chapter.

There is one other feature that must be noted in regard to debt in the Punjab. Though almost the whole amount has been

Muhammadan Debt

advanced by Hindus or Sikhs, neither being debarred by religion from the taking of interest, well over half has been incurred by Muhammadans. Forming 56 per cent of the rural population, Muhammadans must owe at least fifty crores, and seeing that they are generally more involved than their neighbours, the amount is probably nearer sixty crores. No community can hope to thrive with so great a handicap, and, if the Muhammadan community wishes to keep abreast of its rivals, it would be wise to consider seriously how debt can be reduced.

Fortunately there is a comparatively simple remedy available. In connection with the enquiry described in this chapter the

The Remedy for Debt

discovery has been made that a person who joins a co-operative credit society can in ten to twenty years clear off the whole of his debt, and in addition accumulate enough capital to supply the modest requirements of his somewhat primitive system of farming. The importance of this discovery, of which details are given in Chapter XIII, can hardly be exaggerated, for it means that with the necessary organization and effort debt can be entirely paid off, or, better still, it can be converted into a productive debt, with which the whole province can be developed.

[1] *Land Revenue Administration Report*, 1925, Statement iv.

Summary of Statistical Results

It now only remains to sum up the statistical results of this very statistical chapter, and in doing so we should remember that they are essentially tentative. They are as follows :—

1. Only 17 per cent of the proprietors of the province are not in debt (p. 5).

2. Mortgage debt is probably not more than 45 per cent of the whole (p. 7).

3. Average debt per indebted proprietor is Rs. 463 (p. 8).

4. Proprietors' debt amounts to 75 crores (£50 millions), or 15½ times the land revenue, and total agricultural debt to 90 crores (£60 millions), or 19 times the land revenue (p. 16).

5. The larger proprietor is more highly indebted than the smaller, but the latter is more heavily involved (p. 13).

6. Debt is almost as widespread amongst tenants as amongst proprietors, but it is much lower in amount, averaging only Rs. 150 per family.[1]

7. The total agricultural debt of the province averages Rs. 31 per cultivated acre, and Rs. 76 per head of those who are supported by agriculture (p. 19).

8. It is probably less than a year's *gross* income (p. 16), and in the case of proprietors it is roughly equal to three years' *net* income of their land (p. 10).

9. Annual interest charges amount to over 13 crores, or nearly three times the total land revenue of the province (p. 18).

10. The total agricultural debt of British India (including Burma) is not less than 600 crores, or £450 millions (p. 17).

[1] This includes both occupancy tenants and tenants-at-will : for separate figures see page 14.

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CHAPTER II

FOUR SUBMONTANE DISTRICTS

Holdings, Character and Debt

The last chapter dealt solely with the extent of debt: we must now consider causes, and this must be done in detail, for till causes are known no malady can be cured. Much has been written on the subject, but conclusions have usually been based more upon general impressions than upon systematic enquiry. There has been little effort in any part of India to analyse causes in relation to the varying conditions of environment, or to distinguish between those that are basic and those that lie nearer the surface. The result is a blurred picture of cause and effect, in which it is difficult to distinguish the essential features of the problem. In the chapters that follow an attempt will be made to ascertain the fundamental causes of debt in the Punjab, and to set them forth in such a way that it will be possible to determine how far they can be remedied and how far the remedy must depend upon Government or the people. For this purpose, instead of taking a bird's-eye view of the province as a whole, I propose to examine it tract by tract, in the hope that by narrowing our view we may sharpen our sight and finally arrive at conclusions based upon ascertained fact. If, for instance, a cause is found to be prominent in several areas, it will be safe to conclude that it is a main cause of debt: and, contrariwise, if it is found to be at work in only a limited area or nowhere strongly marked, we may conclude that it is not important. Only in the case of factors present in every part of the province—the best example is the money-lender and his system—will it be necessary to widen the angle of vision and embrace the whole Punjab in our view.

Method of Enquiry

To give effect to this method, the province has been divided into six circles. These are marked on the map opposite, and for the most part follow obvious geographic division. The first includes the four submontane districts of Sialkot, Gurdaspur, Hoshiarpur and Ambala, which lie between the central

Tracts of the Province

Punjab and the Himalayas; the second, the central Punjab which stretches from the Jhelum in the north to the riverain districts of the Sutlej in the south; the third, the three districts north of the Jhelum, all famous for their soldiers and the vigour of their people; and the fourth, the arid tract of Hissar and the historic country round Delhi. The fifth contains Multan and three districts in the valley of the Indus, which help to divide the province from the Frontier and Sind; and the sixth, the great canal colonies, which thirty years ago were a desert and are now one of the granaries of the world.

The Submontane Tract

I take the submontane area first, because it is one of the most indebted in the province, and there more than anywhere else the peasant proprietor has been able to develop on the most natural lines. Elsewhere his development has either been checked by great insecurity of harvest or artificially stimulated by the rapid spread of canal and rail. In this area both canal and rail are comparatively unimportant, and the cultivator is mainly dependent upon nature, which has been unusually bountiful. A rainfall of thirty to forty inches makes famine almost unknown, and, as the land is fertile, rich crops of sugar-cane, cotton and wheat can be grown. The water level is high and wells can be sunk at small expense; the climate, too, is temperate, and fruit, notably the mango, can be grown with ease. The tract in its richness recalls the plain of Lombardy, and, as in Lombardy the Alps are always in sight, so are the Himalayas here, and nothing could be more beautiful than the long line of their snowy crests seen across a sea of wheat. But there are disabilities as well as blessings. No less than five rivers run through the tract, or seven, indeed, if we include the Ghaggar and the Ujh. Much of it, therefore, is riverain country, which means waterlogging, disease and debt. Owing to the moisture produced by river and rain, neither man nor beast is as vigorous and healthy as in the central Punjab: the former is a little slack-twisted, and the latter easily succumbs to disease. Owing, too, to the fertility of the soil, the population is unusually dense and holdings are correspondingly small. Good agriculture is at a discount, because these holdings tend to be split up into innumerable fields scattered round the village, and the predominant tribe is the Rajput, who is notorious for bad husbandry and extrava-

gance. Finally, the very prosperity and security of the tract—Ambala and Hoshiarpur have been longer under British rule than most of the province—have made it the happy hunting-ground of the money-lender, who turns as surely to wealth as the fly to honey. The combined effect of all these factors is almost universal debt. In three districts over 90 per cent are affected, and of them it might almost be said, in Rousseau's famous words, that 'man was born free, but is everywhere in chains'.

Extent of Debt

How indebted the tract is will be seen from the following figures, which give in brief the results of my enquiry :—

District	No. of proprietors	Percentage free of debt	Average debt per *indebted* proprietor	Debt's multiple of land revenue
			Rs.	
Sialkot ...	2,525	5	491	17
Gurdaspur ...	6,486	7	431	18
Ambala ...	2,237	5	478	27
Hoshiarpur ...	3,018	30	676	20
Average ...	...	11	490	19

Over 14,000 cases were examined, and of these 89 per cent were found to be in debt, with an average of nearly Rs. 500 each. Total debt is nineteen times the land revenue of all concerned, and for Ambala the multiple is as high as 27. Later on we shall see that these figures, no doubt because they represent only co-operators, probably understate the facts, so far as the tract as a whole is concerned. But they are sufficiently formidable as they stand and are considerably higher than the provincial figures given above.[1] There is not much to choose between the different districts, but in one respect Hoshiarpur has a marked advantage, for 30 per cent are free of debt, which is as high a proportion as we shall find in any district outside the canal colonies. On the other hand, the enquiry showed that Dasuya, the richest of its four tehsils, is deeply involved with a land revenue multiple of 24.

The reasons for this contrast are illuminating and illustrate most of the features of the tract. Dasuya is largely formed of the rich silt deposited by the Beas as it issues from the hills. It is singularly fertile, but hopelessly waterlogged. Six acres of crops are annually grown on every five acres of cultivation, but the waterlogging produces chronic malaria and a spleen rate that amongst children is higher than in almost any other locality in the province. The result is a dense population so lethargic in mind and body that labourers have to be imported every year to cut the harvest. The Rajput is more than ordinarily extravagant and lazy, and even the Jat, so sturdy elsewhere, is half demoralized by his environment. The money-lender alone thrives. For him conditions are perfect: the people are too happy-go-lucky to resist his wiles and sufficiently prosperous to repay his loans. In the last ten years co-operation has done something to weaken his power, but money-lending is still the most paying occupation in the tract. The neighbouring tehsils of Hoshiarpur and Garhshankar are radically different. There are no rice swamps to generate malaria, water is at a reasonable level, and the people are healthy. The effect of this is seen in the Jat, who is here as vigorous and enterprising as in any part of the Punjab. He is always ready to enlist in the army or to seek his fortune abroad. Many were amongst the first to go to the canal colonies when circumstances were peculiarly trying, and many more have migrated to Africa, Australia and America, where large fortunes are frequently made. Thus, a considerable number have a second string to their bow, and that is why 30 per cent are not in debt.[1]

Hoshiarpur

Broadly it may be said that, without this second string to his bow, the Punjab peasant proprietor must always be in debt. The truth of this will be clearer when we realize the nature and size of the average holding in the tract. As we have seen, nature is bountiful but man is prolific. In India, every advantage of nature is sooner or later neutralized by an increase of population. It may almost be

Small Holdings

[1] For conditions in Dasuya see the *Report on the Drainage of the Dasuya Tehsil*, 1919, and also Lt.-Colonel C. A. Gill's *Note on Malaria in Dasuya Tehsil*. Efforts are now being made to improve the drainage of the tehsil.

said that the fertility of the land is a measure of the fertility of woman. The pregnant truth, discovered by Malthus, that the happiness of countries depends 'on the proportion which the population and the food bear to each other' has never been grasped.[1] Throughout this area the yield per acre is high, but the yield per man is low. In the Hoshiarpur tehsil, there are 960 people to every square mile of cultivation. In the low-lying riverain country of the Ravi, where little effort is needed to secure a harvest, the density is over 1,000. In no tehsil is the average cultivated holding more than eight acres, and in every tehsil of Hoshiarpur it is no more than four or five. Now, as Professor Carver points out, small holdings invariably mean small incomes;[2] and in a backward country, where expenditure is less determined by income than dictated by custom and necessity, small incomes sooner or later mean debt. Only one thing can prevent this—lack of credit. But in the Punjab, owing to the great rise in the value of land, every owner enjoys two or three times as much credit as he did thirty years ago. In parts of Hoshiarpur and Ambala, land is four or five times as valuable as it was in the eighties. There is, therefore, no lack of security, and the money-lender sees to it that there is no lack of money.

Yet, it may be asked, if nature is bountiful, why should a man borrow? The answer is that, with all her bounty, nature is infinitely capricious. The monsoon may fail, or, what is more likely near the hills, the rain may come at the wrong time; or a river may rise and sweep away harvest, hamlet and herd. Under such circumstances, to support a family upon a few acres without getting into debt requires a level of skill, industry and thrift seldom attained in a hot country. Undoubtedly it can be done, just as a small sailing boat can weather the storms of the Atlantic; but, unless the boat is both well found and well manned, it will assuredly sink. In India, the farm is too often neither the one nor the other, and nature can be almost as destructive on land as at sea. It is usually reckoned that a cycle of five years will give one good year, one bad, and three that are neither good nor bad. It is only in the good year that the ordinary small holder pays his way without a loan. In the

[1] *An Essay on the Principle of Population*, Book II, Chapter xiii.
[2] *Principles o. Rural Economics* p. 253.

bad, he will have to borrow for nearly everything he wants, for seed, cattle and clothes, and even for much of his food. It is then that compound interest swells the account and that the modest amount originally borrowed assumes unmanageable proportions. Even in the three middling years he will have to borrow now and again, perhaps to buy a bullock or marry a child. In these years, if he is careful, he may be able to pay the interest due on what he has borrowed before, but it is only in a good year that he can actually reduce his debt. Once in debt, therefore, it is almost impossible to escape. If he were thrifty and business-like he might succeed, but he is rarely either the one or the other, and the money-lender is always there to tempt him deeper into the mire. 'Holdings are so small,' says a settlement officer, speaking of a tehsil in the north where the average is only four acres, 'and the margin of safety so narrow, that any misfortune may plunge the zemindar[1] into debt from which he can never extricate himself. A series of bad years, the death of cattle, or mere carelessness, may lead to debt, while in the best years the surplus produce is so small that the interest is paid with difficulty and from the principal there is no escape. . . . Indeed, life is hard and bitter to the cultivator who has to depend on his few acres to support himself and his family.'[2] Writing of India generally, Mr. K. L. Datta comes to the same conclusion. 'Living as he (the small holder) does near the margin of subsistence, his production is just sufficient to meet his wants when the season is favourable, while in bad years he has no alternative but to fall into the clutches of the money-lender.'[3]

Two Examples

Let us now take two concrete cases, namely, the two Hoshiarpur villages of Kabirpur and Bairampur, the one surveyed by Dr. Lucas and the other by Mr. Bhalla. Kabirpur is below the average and Bairampur above it. The owners in the one are a thriftless lot of Sheikhs and in the other a hardworking set of Hindu Jats. In Bairampur, two-thirds of the land is partially irrigated by the periodic rise of the subsoil water, but in Kabirpur there

[1] *Zemindar* in the Punjab means anyone who owns land.
[2] *Gujar Khan A.R.*, 1904, pp. 34 and 36.
[3] *Enquiry into the Rise of Prices in India* (1915), i, 161.

is hardly any irrigation at all. On the other hand, Kabirpur holdings average 9½ acres against less than five in Bairampur. In Kabirpur, seven of the ten families of Sheikhs were found to be in debt and unable to make their budgets balance. 'This,' says Dr. Lucas, 'is the state of affairs during normal years, when not a *pice*[1] is paid back to the money-lender on account of money borrowed or its interest.' In his view a small farmer can only pull through if he is not in debt.[2] Despite its greater prosperity, the experience of Bairampur is not very different, for the advantages of character and nature are largely neutralized by a larger population, which is a good example of what was said above. The family budgets show that a Jat with fourteen acres cannot support a family of five (including himself) without getting into debt; and that, while in an ordinary year a Gujar with 6½ acres and a family of four can just make both ends meet, in a bad year he cannot get on without a loan. As 55 per cent of the owners in Bairampur possess less than three acres, and 23 per cent cultivate less than six, it is clear that holdings as small as those that prevail in this area are incompatible with freedom from debt.[3] As long ago as 1879, a deputy commissioner of Hoshiarpur remarked that the ordinary proprietor with ten or fifteen acres was usually in debt, as his holding was barely sufficient to support a family.[4]

What is true of Hoshiarpur is characteristic of the whole tract. Everywhere population tends to increase to the margin of subsistence. In the Daska tehsil of Sialkot, *ayaldari*, or having too many mouths to feed, is stated to be one of the chief causes of debt.[5] In Zafarwal (Sialkot), holdings are at once smaller and more heavily mortgaged than in any other tehsil of the district;[6] and in the neighbouring tehsil of Daska much the same conditions prevail. Mr. Thorburn, as already noted, found that the hopelessly involved were mostly amongst the smallest holders, and it was shown in the last chapter that in the Punjab the small proprietor is nearly three times as heavily indebted as the larger (p. 13). It is not that the small owner

The Peasant Proprietor's Alternatives

[1] One quarter of an anna. [2] Lucas, op. cit., pp. 64, 103, 109 and 111.
[3] Bhalla, op. cit., pp. 26, 28, 167-72. [4] *Hoshiarpur Gaz.*, 1884, p. 72.
[5] *Daska A.R.*, 1913, p. 17. [6] *Zafarwal A.R.*, 1915, p. 12.

runs up a bigger debt—the contrary is the case—but that debt presses more heavily upon the small farm than upon the large. The small holder is faced with two alternatives. Either a supplementary source of income must be found, or he must be content with the low standard of living that bondage to the money-lender entails. The bolder spirits join the army, and in Hoshiarpur, as in Italy, the more enterprising emigrate. Others set up as carters, or, like the Irish reapers who flock to Scotland for the harvest, go off to the canal colonies once or twice a year to pick cotton or cut the wheat. Most, however, with the fatalism of the East, resign themselves to the money-lender as the line of least resistance, and this is done the more cheerfully as it means a life of comparative ease. Dr. Lucas reckons that a three or four acre farm leaves a man with 200 idle days in the year, and he regards this enforced idleness as a great cause of the peasant proprietor's poverty.[1] Yet, if the latter seeks work elsewhere, as often as not it will be at the expense of his land. Either he will mortgage it—and land is rarely the better for being mortgaged—or he will try and combine two occupations, in which case, as Mr. Keatinge says, his cultivation will be poor and his out-turn low.[2] From every point of view, then, holdings as small as those described are a manifest evil.[3]

Fragmentation

Small holdings are the result of large population and of laws of inheritance which prescribe that each son shall get an equal share of his father's land. That is bad enough, but what are we to say of a custom which requires that the few acres each son receives should be split up into as many fragments as there are different soils in the village, so that all may get an equal share of every kind of land—good, bad and indifferent? Yet this custom is well-nigh universal. In Bairampur, the village lands were found to be divided into 1,598 fields averaging about one-fifth of an acre each. Twenty-eight per cent of the holdings had over thirty fields, and in three cases plots were so small—the smallest was

[1] Op. cit., p. 58.

[2] *Agricultural Progress in Western India*, p. 60.

[3] Of one of the villages in the Deccan he surveyed, Dr. H. H. Mann writes (op. cit., p. 152): 'The conditions of increasing population and increasing sub-division of land were met in the first instance by the incurring of debts.'

only ·014 of an acre—that they had been lost sight of by their owners and had passed into the hands of others.[1] Even the wells are subdivided, and a man's share may be as minute as the odd fraction that governs exchange. The more fertile the land the more it is split up, as fertility and population go together. Accordingly, the greater the population the greater the evil, and nowhere is it worse than in the more thickly-populated parts of this area and the central Punjab.

The evil is by no means confined to the Punjab. In greater or less degree it is found all over India, and in the Bombay Presidency there is said to be hardly a holding that conforms in size and shape to economic requirements.[2] If things are better in Europe, it is because many countries have resolutely faced the problem and made it possible by law for the majority of a village or commune to insist upon consolidation. But where this has not been done, the evil is still acute. In eastern France, it has seriously affected the value of the land and 'certain communes . . . are literally dying'.[3] In one (Meaux), plots of less than a quarter of an acre form one-fifth of the whole cultivated area: in another (Chaigny), 5,447 acres are split up into 48,000 plots averaging one-tenth of an acre each; and in a third (Frepillon), the map of the village curiously resembles that of Bhoyapur in Chapter XIII.[4] In parts of Italy and Spain, conditions are no better,[5] and in Sardinia, they are as bad as anything to be found in the Punjab: properties of from half a row to four rows of vine trees are the rule, and in some parts of the island the boundary hedges of cactus take up nearly half the culturable area.[6] The problem, therefore, is not peculiar to the Punjab, and everywhere the consequences are the same. Land is wasted in innumerable boundaries, and labour and time in going

[1] Op. cit., pp. 33–4.

[2] Keatinge, op. cit., p. 69; see also pp. 70–1, 195–223, and Mann, op. cit. pp. 47–54.

[3] Caziot, *La Valeur de la Terre en France*, 1914, p. 28.

[4] *Ibid.*, pp. 25 and 53.

[5] For Spain, see H. D. Irvine, *The Making of Rural Europe*, 1923, pp. 119–20, and for Italy, the report issued in 1921 by the Italian Ministry of Agriculture, *Per la Piccola Proprietà Rurale e Montana*, ii, 51.

[6] See article in *L'Italia Agricola*, 15 June, 1922, p. 172, and in *Problemi Italiani*, 1 February, 1923, p. 230.

from plot to plot; rotations cannot be varied, nor can valuable crops be properly supervised; scientific cattle breeding is impossible, disputes are frequent and enterprise is paralysed. In short, all the evils of small holdings are aggravated a hundredfold, and agricultural progress is impossible. Worst of all, and this is the experience of both Germany and Italy, where fragmentation is bad, the money-lender is strong, for fragmentation means a dwarf domestic economy and a hand-to-mouth existence.[1]

Cattle Mortality

The smallness of the average holding and its almost incredible fragmentation together constitute one of the basic causes of debt, not only in this area but in most of the Punjab, and so important are they that we shall have to refer to them again and again. We come now to another cause of debt, which is only less important than the former and closely connected with it, the constantly recurring losses of cattle from drought and disease. Indispensable everywhere, cattle in the East have an almost religious significance. 'Most surely there is a lesson for you in the cattle,' says the Quran:[2] and in the Bible, the rainbow is represented as a token not only between God and man, but also between Him and every living beast, and the ancient but immoral city of Nineveh is finally spared from destruction because, *inter alia*, it contained 'much cattle'. For any one who has not lived in a primitive country it is difficult to realize how much a peasant's life may depend upon his cattle. Without them his fields remain unploughed, store and bin stand empty, and food and drink lose half their savour; for in a vegetarian country what can be worse than to have neither milk, butter nor *ghi?* Indeed, it is difficult to have anything at all, as all cooking is done with cakes of manure. The very hookah, beloved of the rustic, can hardly be smoked without the cow-dung fire that is almost universally used for the purpose.

It is not surprising then that India probably contains more cattle to the square mile than any other large country in the

[1] For Germany, see Adolf Buchenberger, *Agrarwesen und Agrarpolitik*, 1893, ii, 215; and for Italy, the official Italian report, *Inchiesta Parlementare sulle Condizioni dei Contadini nelle Province Meridionali e nella Sicilia*, 1911, iv (1), 75, 225, 556–60.

[2] Ch. xxiii, 21 (tr. Maulvi Muhammad Ali).

world.[1] Yet in a bad year drought and disease will make holocausts of thousands. In the great famine of 1869, four districts in the south-east of the province lost over 40 per cent of their stock, or a total of over 600,000 head.[2] Two Rajput brothers, says the official report, lost eight bullocks, ten milch buffalos, and forty cows and calves. Everything died, and they themselves, deprived of their only means of livelihood, were forced to sell whatever else they had, to keep body and soul together.[3] As recently as 1921, Sirsa (Hissar) lost 40 per cent of its stock, and in the same year cattle in Jhelum were sold for a few rupees a head.[4] These, however, are famine conditions, and thanks to a good rainfall serious famine has hardly to be reckoned with in the districts near the hills. The enemy is disease and it is almost as bad. The high subsoil water-level of the riverain areas, combined with a heavy rainfall, is as unhealthy for cattle as it is for men. In 1877, an epidemic carried off two-thirds of the cattle of the Amhala district, and in 1919, the writer came across a group of villages near the Beas, where in two years 233 co-operators had lost 1,361 head of cattle, or about half their total stock. Losses on this scale cripple a man for years, for they have a way of occurring when harvests are bad and resources low. To replace them, in nine cases out of ten, the peasant has to borrow. Mr. Thorburn and Major Jack were, therefore, undoubtedly right in regarding loss of cattle as a major cause of debt, a view that is amply corroborated by the experience of co-operative credit societies, which in the last five years have advanced 20 per cent of their funds for the purchase of cattle.[5]

It must not, however, be supposed that cattle disease on a large scale is the peculiar misfortune of India any more than the fragmentation of holdings. The fact that in 1923-24 no less than 103,000 cattle, 43,000 sheep and 48,000 pigs were slaughtered in Great Britain at a cost of £3,300,000 in order

Eastern and Western Remedies

[1] In 1924–25, there were 61 cattle for every 100 inhabitants in British India (*India in 1924–25*, p. 193). The corresponding figure for Italy in 1918 was only 17.

[2] *Punjab Famine Report*, i, 12. [3] *Ibid.*, iv, 73.

[4] In 1918, the Bombay Presidency lost one million cattle, or one-ninth of its whole stock (Keatinge, op. cit., p. 113).

[5] *Punjab Co-operative Societies Report*, 1926, p. 13.

to suppress an epidemic of foot and mouth disease is emphatic evidence to the contrary.[1] In Germany, in 1920, I met a landowner who had lost 23 cattle in two months, but—and the point is important—they were all insured. This, rather than the evil itself, is the main difference between East and West. In the West everything—crops, cattle and buildings—can be insured, and in the more advanced countries usually is, but in the East insurance is rare.[2] Almost everything is left to fate—or magic, as the following episode shows. An epidemic broke out in the neighbourhood of Bairampur, the Hoshiarpur village that has already been mentioned. The veterinary surgeon came out to help, but to a man the villagers flocked to a quack fakir, whose 'charms' made cattle 'invulnerable' against disease, and they were so well agreed about it that the fakir was paid out of the village funds.[3] In many places, the favourite remedy for cattle disease is a rope strung across the entrance to the village, with little tin boxes suspended on it, containing charms dictated by a fakir at a rupee apiece. All the cattle of the village are driven out under it, and water is sprinkled on the houses on either side with a switch of grass. A magic circle of milk and water is then drawn round the village, and a pot containing rice or sugar is secretly buried in the land of an adjoining village, presumably in the hope that the disease may pass off that way.[4]

The Village Money-lender

Superstitions like these, though much less common than a generation ago, help to explain why the cultivator is often like wax in the hands of the much less ignorant village money-lender. As the latter forms the subject of a separate chapter, little need be said about him at present, but it is well to remember, as we pass from tract to tract, that he is the evil genius in the background, aggravating and manipulating every factor to the cultivator's hurt and to his own advantage. Formerly the ally, if not the servant of the village community, he threatened at one time to become its master. The security of British rule

[1] *C.M.D. 2145* (1924).

[2] In India, the attempt to establish co-operative cattle insurance has so far failed.

[3] Bhalla, op. cit., p. 134.

[4] *Rohtak Gaz.*, 1910, p. 116.

and a legal system in which the spoils are ever to the astute gave him an opportunity which he was quick to seize; and in the submontane tract the richness of the soil, the regularity of the harvests, and the want of vigour in the people, provided him with an almost ideal field for his demoralizing activities. It was, too, one of the earliest fields to attract his attention. Before the days of the canal, the districts with an abundant rainfall were the most inviting: a dense population made business easy, good crops made it remunerative, and the comparatively high value of land made it safe. At a time when land in Sirsa was selling for six annas an acre, in Hoshiarpur it was fetching nearly thirty rupees, an amount which was high enough to admit of mortgage. As early as 1874, it was noticed that the largest number of mortgages were taking place in three out of our four districts—Hoshiarpur, Sialkot and Ambala—and it is significant that Sialkot is still the most heavily mortgaged district in the province and that Gurdaspur is not far behind.

The money-lender would have been in a much less dominating position in this tract but for the character of the people. In one of his novels, Tolstoy speaks of the character of the cultivator as being, like climate and the soil, one of the unalterable factors of the agricultural question.[1] The truth of this is abundantly illustrated by the condition of the Rajput, who is the most important tribe in the tract and one of the most important tribes in the province. Thickly spread along the foot of the hills, he is everywhere in debt and generally deeply involved, as the following figures show:—

Character and Debt—the Rajput

Tehsil	No. of proprietors	Debt's multiple of land revenue
Shakargarh (Gurdaspur) ...	1,121	23
Hoshiarpur ...	665	20
Dasuya (Hoshiarpur) ...	336	30
Ambala ...	577	30
Naraingarh (Ambala) ...	663	27

In no case is debt less than twenty times the land revenue, and in Dasuya and Ambala the multiple is thirty; and it may be

[1] See *Anna Karenin*, i, 171 (tr. Constance Garnett).

added that in every case but one average debt is over Rs. 500 and in Hoshiarpur touches Rs. 760. In varying degree these figures are characteristic of the Rajput all over the Punjab, for wherever he is found he appears to be more heavily in debt than his neighbours. The seriousness of this may be judged by the fact that he numbers nearly two millions.

The Rajput, as the name implies,[1] is the aristocrat of the countryside, and that is his undoing. Proud of his birth and traditions, more accustomed to fight than to till, loving the bravura of life and scorning its drudgery, he is by common consent the worst cultivator in the Punjab. As an agriculturist no one but a grazier or a cattle-thief could be worse. If he is of pure descent, he is forbidden to touch the plough;[2] and even if he is not bound by this rule, where the Jat ploughs deep he will only scratch the surface of the soil. His hedging and weeding are equally superficial, and, as a settlement officer remarks, the general untidiness of his fields, the absence of the richer crops, and the numerous pathways which a short detour would save, proclaim the Rajput village before the owners appear.[3] To make matters worse, the Rajput's regard for his *izzat* forbids him to take any help from his wife. In Indian village life, *pardah* is the hall-mark of the 'lady', and in *pardah*, therefore, the Rajput's wife remains. She can do nothing outside the house, and very little within. She cannot even draw water from the well, and, being a 'lady', must have servants to help her in all domestic tasks. The wife of the Jat or the Arain does almost as much as her husband, and sometimes more, but the wife of the Rajput is an economic burden. A small point illustrates the difference. The Jat and the Arain go off to their fields at dawn and at ten o'clock their wives bring them their breakfast. The Rajput, on the other hand, must either employ a servant for the purpose, or stay at home till breakfast is finished. If he chooses

[1] *Rajput* means literally 'son of a raja'.

[2] A pure Rajput, 'to preserve his name and honour unsullied, must scrupulously observe four fundamental maxims: he must never drive the plough; he must never give his daughter in marriage to an inferior, nor marry himself much below his rank; he must never accept money in exchange for the betrothal of his daughter; and his female household must observe strict seclusion' (*Kangra Gazetteer*, p. 710).

[3] *Samrala A.R.*, p. 15.

the latter, having nothing to do, he sits in the village rest-house smoking and talking, and when at last he struggles out at ten or eleven he is 'half-stupefied' and unable to do a good day's work.[1] This is the case in Ambala, and much the same is true elsewhere. 'He cultivates, hookah in hand,' is a saying of the Lahore district; and of the Rajput in the south a settlement officer remarks that 'the Rajput hive is a peculiar organization, consisting of a few workers, a large number of drones and females, with occasionally a super-abundance of queens'.[2]

Many Rajputs almost pride themselves on their inefficiency as cultivators, claiming that their real business is fighting and sport. This love of soldiering is their best trait and is what, in spite of everything else, entitles them to respect and even fame. In Hoshiarpur, to take but a single example, 50 per cent of the Hindu Rajputs of military age enlisted during the war. Another pleasant trait is a generous love of hospitality, but usually this only adds to their embarrassment, as it means large houses full of servants and parasite relations, and the most prodigal expenditure on marriages. In the next chapter we shall see what a heavy financial burden marriage imposes upon the zemindar. With the possible exception of the Sikh Jat, there is no one who spends more in this way than the Hindu Rajput, for *izzat* demands that the whole neighbourhood shall be royally entertained and that dancing girls and fireworks shall be part of the entertainment. Owing, too, to the obligations of caste, many consider themselves debarred from giving their daughters in marriage to anyone but a social superior. Often, therefore, a son-in-law can only be obtained at a price, and, in a country in which girls are scarce, the same is apt to apply to the father-in-law as well. Many remain unmarried in consequence, and squander their substance in riotous living, while of those who marry a good number have to mortgage part of their land for the purpose. All roads, therefore, lead a Rajput into debt, and, though he is jealous of his honour, he is rarely jealous enough to be punctual in the repayment of his debts. On the contrary, the man who outwits his creditors is apt to be admired by his neighbours.

It must not be supposed that this description applies to all

[1] *Ambala Gaz.* [2] *Rohtak A.R.*, 1909.

Rajputs. It applies, for instance, only partially to the hill district of Kangra, which is the stronghold of the Rajput in the Punjab, and still less to those who have forsaken farming for service. It applies, however, to most of those who cultivate in the plains, and shows that, if a great effort is not made, the Rajputs must ultimately lose their premier position, even as they are already beginning to lose their land, which the more industrious tribes are slowly acquiring. But it is only fair to add that in the central Punjab, under the bracing influence of the Jat, there are definite signs of improvement.

No tribe is in stronger contrast to the Rajput than the Jat. If the former represents the gentry of the province, the latter is the marrow and soul of the peasantry. Numbering over five millions, he has spread north, south, east and west, and there is no part of the Punjab where he cannot be found. He is seen at his best in the central districts of Ludhiana, Jullundur, and Amritsar, but he is nearly as good in the southern district of Rohtak. He may be either Hindu, Muhammadan or Sikh; and to some extent his characteristics vary accordingly. The Sikh is more adventurous if more commercial, the Muhammadan more patient if less industrious, and the Hindu more frugal and stubborn. While, too, the Sikh will not smoke but loves the bottle, the Muhammadan will not drink but loves the hookah. All three, however, have a tenacity of character and a skill in farming which make them the best cultivators in India. As a settlement officer says, 'unremitting in toil, thrifty to the verge of parsimony, self-reliant in adversity, and enterprising in prosperity, the Jat . . . is the ideal cultivator and revenue-payer'.[1] Ploughing, weeding or reaping, he will bear the burden and the heat of the day, and at night take his turn at the well. Of the same fibre are the women, and if the Rajput wife is an economic burden, the *Jatni* is an economic treasure. 'A Jat wife for me—all the rest are a mere waste of money,' says the Multani proverb.[2] 'She does not plough, dig or drive a cart, but there is no other form of agricultural labour which she does not practise and ordinarily adorn.'[3]

The Jat

[1] *Samrala A.R.*, 1910, p. 15. [2] *Ran Jatti te hor sab chatti.*
[3] *Rohtak A.R.*, 1909, p. 12.

Rajput and Jat Contrasted

Assisted by his wife, the Jat will generally do better on a small holding than the Rajput on a large. On comparing the Jat village of Bairampur with a Rajput village in the neighbourhood, Mr. Bhalla found that, though the Rajputs were unusually intelligent and progressive, they could not compare with the Jats. Their cattle were generally inferior; and even when as good, their ploughing was shallower; and where the Jat depended upon himself and his family, the Rajput got most of his field work done by Chamars.[1] Outside the house he got no help from his wife, while the Jat's wife not only brought her husband his food in the fields, but helped him to sow and to weed, to pick the cotton and feed the cattle. Inside the house, too, she did a score of things left to servants by the wife of the Rajput. Finally, the Jat spent less upon luxuries and made more of his opportunities, keeping a sharp eye upon the market for the sale of his produce, and in the slack season hiring out his cart for the hauling of bricks.[2] We are not surprised, therefore, when we read in the assessment report of this tehsil that, while the Jats are 'healthy, robust and cheerful', the Rajputs, 'in spite of enjoying the same climate, food and water, are quite the reverse'.[3] The same contrast is apparent throughout the tract, and is clearly reflected in the following figures :—

District	Rajputs	Debt's multiple of the land revenue	Jats	Debt's multiple of the land revenue
Gurdaspur ...	1,121	23	2,118	12
Hoshiarpur ...	1,001	23	673	18
Ambala ...	1,240	28	...	...
Sialkot ...	...	...	1,603	19

It will be seen that in none of the districts concerned is the Rajput's debt less than twenty-three times the land revenue, or the Jat's more than nineteen. The difference would be greater but for the demoralizing influence exercised by the Rajput upon his neighbours.

[1] Tanners.
[2] Bhalla, op. cit. (Introduction).
[3] *Ibid.*

The Jats are not only less heavily indebted, but there are fewer of them in debt. In three out of our four districts not more than seven per cent of the proprietors would appear to be free of debt. For the Jat districts of Jullundur and Rohtak and the Jat portions of Hoshiarpur the corresponding percentage is at least 25. The explanation of this may be found in the fact already stated, that for the small holder to keep out of debt a supplementary source of income is almost essential. The Rajput has only service and soldiering to help him, but the more enterprising Jat has a number of strings to his bow. If he stays at home, he may start a kiln, deal in cattle, speculate in trade, or even set up as a money-lender. If he goes abroad, he will be found fattening cows in China, sawing wood in Canada, tinning fruit in California, or trading in Australia. During the war he enlisted so freely that Ludhiana and Rohtak stood higher in recruiting than almost any other district in India. Moreover, like the Italian emigrant, whatever his interests and wherever he goes, he never forgets the land, and sooner or later returns with his earnings to the village that bred him. In short, it may be said that in the whole of India there is no finer raw material than the Jat; and, though he may be addicted to violence and crime, as he is in the Manjha, or to dissipation and drink as in Ferozepore, or to gambling as in parts of Ludhiana, it would be difficult in any country to find a more remarkable combination of cultivator, colonist, emigrant and soldier. Educated and organized, and relieved of the handicaps imposed upon him by custom and debt, he might well become the foundation of a new rural civilization in the Punjab.

The Jat's Enterprise

Before leaving the submontane area we may attempt some estimate of the total debt of the four submontane districts. This can be done by taking the mortgage debt of each district and adding to it a certain percentage on account of unsecured debt.[1] My enquiry shows that the *net* mortgage debt in this area is 40 per cent of the whole.[2] Gross mortgage debt will be somewhat higher.

Total Debt of Submontane Districts

[1] The Director of Land Records kindly supplied me with figures for the mortgage debt in each district.

[2] For explanation of the term ' net mortgage debt ' see p. 6.

To be on the safe side, let us assume that it is 60 per cent. In that case we obtain the following results :—

District	Total debt[1] (in lakhs)	Debt's multiple of land revenue[2]
Sialkot	457	27
Hoshiarpur	433	23
Gurdaspur	375	20
Ambala	314	21

Fertility and Debt

Of the four districts, Sialkot is at once the most fertile and *the most deeply involved. Its mortgage debt is only exceeded* by Ferozepore, and in area it is the most heavily mortgaged district in the province.[3] It should, therefore, throw some light upon the causes of debt. Those given by the last settlement officer are illuminating. They include all the causes discussed above. In one tehsil, the smallness of the holdings is emphasized with the consequent pressure of population upon the soil; in another, the fecklessness of the people; in a third, the constant loss of cattle; and of a fourth we read that 'a nest of *sahukars* in the heart of the circle provides a fatal facility for obtaining credit'. The root cause is probably over-population due to exceptional fertility. More densely populated than any other district but one, it has less cultivated area than nine districts; and the average holding varies (according to tehsil) from only 4½ to 7 acres. We have seen above how difficult it is for the small holder to keep out of debt when entirely dependent upon his land. In the present case it might have been possible, as the district has been allotted nearly 200,000 acres in the canal colonies, the profits on which exceed twenty lakhs a year.[4] But, unfortunately, the people have been undone by their blessings. The bounty of nature has made them careless, and the bounty of the money-lender,

[1] These figures are for proprietors and occupancy tenants only, as it is difficult to estimate the debt of tenants at will, farm servants, etc. Total agricultural debt will therefore be higher.

[2] Land revenue has been calculated on an average of three years, as above (p. 9, note).

[3] In 1925, 24 per cent of the total cultivated area was mortgaged against a provincial average of 10. [4] *Sialkot S.R.*, 1917.

proffered without stint, has made them extravagant. Nowhere is more spent upon marriages, and what this means we shall see in the next chapter.

The Burden of Debt

In two of our four districts total debt exceeds three crores, and in the other two it is over four. These are formidable figures, but are they crushing? This most difficult question we must now endeavour briefly to answer. Everything depends upon resources, and in this case the main resource is the land. What relation then does the debt bear to the land? The total debt of the four districts is twenty-four times the land revenue.[1] As land revenue represents roughly one-fifth of the net income of the land, we may assume that debt is equal to nearly five years of the latter. Or it may be expressed in terms of gross yield. The latter has been worked out for two of the four districts, thus:—

			Gross yield per cultivated acre[2]
Gurdaspur	...	...	Rs. 48
Hoshiarpur	...	...	Rs. 42
Average	...	...	Rs. 45

For debt the corresponding figures are:—

			Debt per cultivated acre[3]
Gurdaspur	...	...	Rs. 49
Hoshiarpur	...	...	Rs. 64
Average	...	...	Rs. 56[4]

[1] The figures for my enquiry give a multiple of 20.

[2] The Deputy Director of Agriculture, Gurdaspur, estimates the out-turn of a *matured* acre in these two districts at about Rs. 150 for irrigated land and Rs. 60 for unirrigated. As the produce prices taken are abnormally high, e.g. wheat Rs. 5, sugar-cane Rs. 7, and *senji* Rs. 10 per maund, I have reduced his estimate by 25 per cent. As, too, the whole cultivated area does not mature, taking the harvest figures of the last five years, I have made a further reduction, with the result that I estimate produce value per acre thus:—

	Hoshiarpur	Gurdaspur
Irrigated land ...	... Rs. 111	Rs. 83
Unirrigated ...	... Rs. 43	Rs. 36

As the percentage of land irrigated in each district is known (9 and 26 in Hoshiarpur and Gurdaspur respectively), the rest of the calculation was simple.

[3] For cultivated area see *Land Revenue Administration Report*, 1920, Statement III, col. 7 (excluding *shamilat*).

[4] The corresponding figures for Sialkot and Ambala are Rs. 56 and Rs. 45. For the whole area the average is Rs. 53.

As these two districts are probably less heavily indebted than Sialkot and Ambala, it may be generally stated that debt in this area certainly exceeds the value of a year's produce.

Altogether it is difficult to resist the impression that debt in this tract is a heavy burden. The impression is strengthened if we compare the tract with the moderately prosperous district of Faridpur in Bengal. Before the war total rural debt in the latter was found to be only one-fifth of total income, and not more than 5 per cent of the cultivators were in debt beyond half their income. On the other hand, if we turn to Egypt, we find from an enquiry made in 1912 that, amongst owners of five acres or less, debt averaged Rs. 75 (£5) an acre against Rs. 53 in these four districts for all classes of owners. There is one way of stating debt which reduces it to comparatively modest proportions, and that is to express it in terms of the value of land. In 1920 and 1921, land in our four districts sold at an average price of Rs. 289 an acre, whereas the corresponding figure for debt is only Rs. 53. For the debtor, however, this is a dangerous way of stating the case, as it obscures the fact that debt should be repaid out of income and not out of capital. As we have seen, measured in terms of income, debt is undoubtedly high; that, in relation to capital, it should be comparatively low is due to the enormous rise in the value of land that has taken place in the last twenty years.

CHAPTER III

THE CENTRAL PUNJAB

The Small Holder and the Burden of Marriage

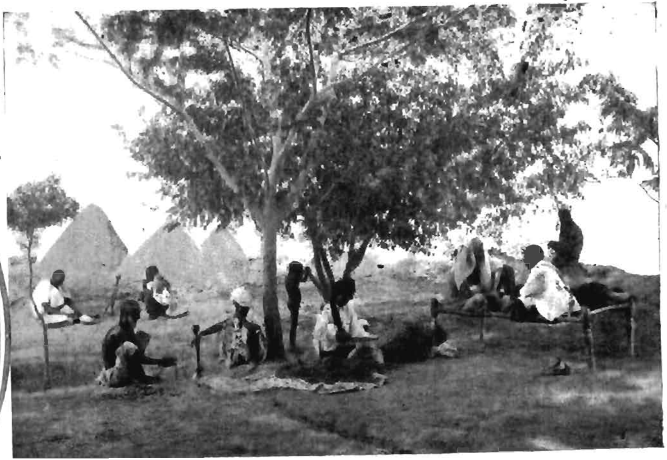
In the last chapter our attention was fixed upon four districts lying at the foot of the Himalayas. We saw that, though the land was fertile and rainfall good, debt was as heavy as it was widespread; that in three out of the four districts only 7 per cent (or less) were not involved, and that as a whole proprietors were in debt to the extent of a full year's income. We saw, too, that the main causes of this were, firstly, the pressure of population upon a soil split up into holdings too small to support life without the help of the money-lender or some supplementary source of income; secondly, the constantly recurring epidemics of cattle disease due to the unhealthy conditions produced by a heavy rainfall and many rivers; and thirdly, the slack-twisted character of a large section of the people, who have been infected with the laziness and extravagance of the Rajput, the predominant tribe. Finally, we found the money-lender strongly entrenched in the village and dominating the countryside.

Summary of last Chapter

We now enter the heart of the Punjab, the tract running from the Jhelum in the north to a little beyond the Sutlej in the south. Embracing seven districts with a population of six millions, it contains all that is most characteristic of the province.[1] It is the cradle of the Sikh, and one hundred years ago was the mainstay of Ranjit Singh and his power. The country is as flat as the plain of Lombardy, but far less attractive. Along the eastern fringe, on a clear day, the Himalayas can still be seen with their snowy summits towering over the endless plain, but elsewhere there is nothing to break the monotony of the empty horizon. There are numbers of compact little villages, but with their mud-

Description of the Tract

[1] The seven districts are: Gujrat, Gujranwala, Lahore, Amritsar, Jullundur, Ludhiana and Ferozepore. Map opposite p. 21.



A TYPICAL VILLAGE SCENE

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walled, flat-roofed houses they are hardly more conspicuous than a child's sand-castles along the seashore, except where the red brick house of a money-lender or the minarets of a mosque rise above the trees. Trees there are in plenty, sometimes clustering round a village or in long lines shading dusty road and cool canal, but for the most part they are isolated, dishevelled and scattered, and rarely grow sociably together in wood and grove. We miss the amenities of the country at the foot of the hills, the gentle rise and fall of the earth, the dark, mysterious recesses of the mango grove and the sparkle of the occasional burn. For this the meagre rainfall is mainly responsible, as it is nowhere more than thirty inches and drops to only eleven or twelve in the west. For a people clad almost entirely in cotton the cold in winter is intense, and in summer the heat is the heat of the Punjab, which once experienced is never forgotten. There is, therefore, little to tempt a vigorous people to leisure and ease, and for generations salvation as well as subsistence has been instinctively sought in toil. The result is the sturdiest peasantry in India. 'The Manjha villages,' wrote the Commissioner of Lahore in 1856, 'contain some of the finest specimens of man I have ever seen,' a remark which is as true to-day as it was then.[1] In these villages men of six feet are nothing accounted of. The dry climate, combined with the extremes of heat and cold, has bred a race that for appearance at least may challenge comparison with any in the world. There are many different tribes, but the finest of them all is the Jat, who is here seen at his best.

Except in Lahore and Ferozepore holdings are small, but canal and well irrigation are widely developed, and to a large extent mitigate the effect of a capricious rainfall and a dense population. Good markets abound—we have only to mention Lahore and Amritsar—and, thanks to an elaborate network of railways, communications are upon almost a Western scale. Outside the canal colonies there is no part of the province where land is more eagerly sought or fetches a higher price. It is surprising, therefore, to find, as the following figures show, that in spite of all these advantages debt is sixteen times the land revenue and that over 80 per cent of the owners are in debt.

District	No. of proprietors concerned	Percentage free of debt	Average debt per *indebted* proprietor	Debt's multiple of land revenue
			Rs.	
Whole Tract ...	13,028	19	454	16
Certain Districts :[1]				
Jullundur ...	6,269	27	413	14
Ferozepore ...	1,941	9	655	19
Lahore ...	1,399	9	624	22
Gujrat ...	1,637	16	354	21

The figures are dominated by Jullundur and its 6,269 cases. This district will therefore be considered first. A little larger than Essex, it is cultivated from end to end and is rightly called the garden of the Punjab. It contains as intelligent, industrious and enterprising a set of proprietors as can be found in any part of the province. Of these the Jat and the Arain are chief. The former has already been described and something will be said about the latter in a moment. Land is fertile and fetches Rs. 500 an acre,[2] and well irrigation is as universal as nature and the fragmentation of the land permit. Serious outbreaks of cattle disease are rare, famine is unknown and co-operation well established. Local resources, too, are amply supplemented by the energy and enterprise of those who have joined the army, migrated to the canal colonies or gone abroad. Before the war 25 to 30 lakhs a year flowed into the district from these sources, an amount more than sufficient to pay the whole land revenue (18 lakhs). It is, therefore, totally unexpected to find an average debt of Rs. 413 and a land revenue multiple of fourteen, which moreover would be considerably higher if those free of debt were excluded.

Debt in Jullundur

The district in many ways resembles Hoshiarpur, which adjoins it and which has already been described. Population is as dense, in one circle touching 947 to the cultivated square mile, and holdings are even

Its Causes

[1] Three districts are omitted, as less than a thousand cases were examined in each.

[2] In 1917, land in the district sold at prices ranging from Rs. 405 to [illegible]

smaller, the tehsil average ranging from three to five acres. Fragmentation is if possible worse, and exceeds all belief. In one village, 12,800 acres are splintered into 63,000 fields; in another, 584 owners cultivate 16,000 fields, whose mean size is only one-seventh of an acre;[1] and in a third (Druli Kalan), there are 424 fields of one *marla*, that is to say, of less than ·006 of an acre.[2] These factors, as we saw in the last chapter, are quite enough to account for debt. How, indeed, can a man keep out of it with his three or four acres split up into fifty, or it may be 100 strips, and these as scattered as autumn leaves? Intelligent and industrious as the bulk of the peasantry are, to most the money-lender is a necessity, and he has been only too ready to lend, as few districts offer better security or contain more ready money. In the thirty years between the last two settlements,[3] land increased five times in value, and in one tehsil (Nawashahr) as much as eight times. Money, too, has poured in from the canal colonies, America and the Far East, and, being abundant, has been available at 6 to 12 per cent, which are low rates for the Indian village. To the uneducated farmer there is grave danger in cheap credit and the power to borrow at a low rate of interest, a fact that many have learnt to their cost. With borrowing made easy every want can be satisfied, and with the rise in the standard of living, wants have multiplied considerably. These the large holder has been able to satisfy from the higher price obtained for his produce, but the man with only a few acres consumes nearly all he grows, and has but little to spare for the market. His income, therefore, has not kept pace with his wants. He has however, his land, and upon its ever-rising value can borrow all the cash he needs. The temptation is irresistible, with the result that the higher standard of living is apt to be based less upon production than upon the pledging of capital, a position that is obviously unsound.

If, however, the main cause of debt in this district is the size of the holdings, some part of it may fairly be put down to productive expenditure. It is a commonplace of Indian economics that debt in this country is mainly incurred to meet the necessities

[1] See *Agricultural Journal of India*, vol. xvii, part 1.

[2] 210 *marlas* form one acre.

[3] Roughly 1885 to 1915.

of rural life and social obligation, and only in the smallest measure for agricultural improvement. To this rule Jullundur is a partial exception, for between the last two settlements the number of wells, already large, increased by 42 per cent.[1] Over 2,000 were built in five years (1917-21), at an average cost of at least Rs. 500 each. This can hardly have been done without the help of the money-lender, and the fact that money was cheap has probably led many to borrow for the purpose.

How the Small Holder can keep out of Debt

A remarkable feature of the district is that as many as 27 per cent are free of debt, which is another link with Hoshiarpur, where 30 per cent are free. In both districts the explanation is probably the same. For the small holder there are only three ways of keeping out of debt. Either he must be as frugal and industrious as the French peasant and work from sunrise to sunset; or he must grow what is called an 'industrial crop', such as tobacco, potatoes or vegetables; or, thirdly, he must have some other source of income. Broadly this is the experience of the small holder all over the world, and it will be found to be one of the main conclusions of this enquiry. Now there is no harder worker or better market-gardener than the Arain, who is to be found throughout Jullundur, and there is no more enterprising peasant than the Jat, who is the backbone of both districts. He was amongst the first to break up the rich virgin lands of the canal colonies and has always been ready to seek his fortune abroad. When the war broke out he was to be found literally from China to Peru—in many cases making more money than he ever dreamt of in his village. We read of seven Jats who returned from Australia with £4,000 in their pockets, the fruit of only seven years' work, mainly as agricultural labourers;[2] and all over the district, rising above the mud plaster dwellings of the ordinary villager, are to be seen the *pukka*[3] red brick houses of those who have made money abroad.

But to make both ends meet, it is not always necessary for the small holder to grow vegetables or to go abroad. It can also be done by labour, though in that case the labour must be

[1] i.e. from 20,412 to 29,024.

[2] *Nawashahr A.R.*, 1906.

[3] A house made of burnt bricks.

hard and unremitting. A Lincolnshire peasant proprietor, explaining to a Royal Commission how he kept afloat, said: 'In the summer *I* work from *4* a.m. to *8* p.m., and often do not take more than an hour off for meals'.[1] We have his counterpart in a Mahton of the Nawashahr tehsil, now seventy years old, who, with little more than five acres of irrigated land and only a cow and a yoke of bullocks, brought up a family of five sons and two daughters without ever getting into debt, and married all but one son into the bargain, one wedding moreover costing him over Rs. 1,400. The case is characteristic of the tribe to which he belongs. Eating barley in order that they may sell their wheat, grinding the seeds of their melons to mix with their flour and giving the rind to the cattle that nothing may be wasted, the Mahtons of Hoshiarpur and Jullundur are a remarkable example of what can be achieved even upon the smallest holdings by industry and thrift. There is a popular saying that if a Mahton turns fakir Rs. 100 will be found in his loin cloth, and the underlying truth of the remark is seen in the *pukka* houses and schools that fill their twenty villages. It would, in fact, be difficult to find a better instance of the influence of character upon cultivation and debt, for all round are Rajputs who are heavily involved and the Mahtons are themselves of Rajput origin.

The Arain

For sheer ant-like industry there is no one in the Punjab to touch the Arain. He has already been mentioned and must now be described, as he is numerically important, numbering over a million, and is quite distinct from Rajput and Jat, the two tribes described in the last chapter. Though often a farmer, he is by tradition and instinct a market-gardener, and alone amongst cultivators rivals the Jat. 'For cattle,' says the proverb, 'give me the cow, and for a cultivator give me the Arain.'[2] Though a Muhammadan, there is no labour so hard or so dull that he will not do it, and it is said that as long as there is work to be done he is there, but when there is none he disappears. A slave to his well, and too humble in origin to trouble himself like the Jat about the social disabilities of market-gardening, he pushes the cultivation

[1] Curtler, *A Short History of English Agriculture*, p. 308.
[2] *Mal gain, te rayat Arain.*

of tobacco and vegetables almost beyond its economic limit. He produces more to the acre than any other tribe, but at a cost that most would consider prohibitive. To this life of unceasing toil he is driven by his prolific nature. Content with a low standard of living, he multiplies faster than any other important tribe, and his land is consequently split up into the minutest holdings.[1] To feed and clothe his family, and if possible acquire more land for his many sons is his only ambition, and it requires a degree of frugality that is almost injurious. He turns his milk into butter for sale, and his children have to be content with the butter milk that remains. Taking neither the one nor the other himself, he even passes his wheat through a sieve in order that the larger grains may be sold. This is his way in Jullundur, and the result is a physique much less sturdy than that of the Jat and a mind as narrow as the plots he cultivates. He is too absorbed in his work to have any of the Jat's flair for making money, nor can his wife be compared with the Jat's in the economical management of a house. More accustomed, too, to serve than to rule, he is peculiarly susceptible to the influence of his social superiors. In Jullundur, where the Jat is at his best, he is very little in debt; but in Ferozepore, where the Jat is at his worst, he is extravagant and heavily involved. This is vividly shown by the following figures for two tehsils, one of which, Nakodar, is in Jullundur, and the other, Zira, in Ferozepore :—

Tehsils	Arains	Debt's multiple of land revenue
Nakodar	1,815	11
Zira	692	33

Though these two tehsils march side by side, in the one the Arain is three times as heavily in debt as in the other. But even when in debt he still labours unceasingly, and all over the Punjab wherever he is found, whether in Sirsa on the edge

[1] In 40 years, 1881–1921, the Arain has increased by 37·5 per cent : for the Rajput and the Jat the corresponding percentages are 14·7 and 32 (*Census of India*, 1921, xv, 348).

of Bikaner or in Muzaffargarh on the borders of Sind, he is a shining example of the way the Punjab peasant can work

If the Arain is deeply involved in Ferozepore, it is because it is the most heavily indebted district in the Punjab. According to the returns given above only nine per cent are free of debt, and for the rest the average is Rs. 655, an amount that is only exceeded in two districts. These figures, if they stood alone, would be of doubtful value, as they are based upon only 1,941 cases and the district is large and varied; but the indication they give of abnormal debt is amply corroborated by recent official enquiry, which shows that mortgage debt is higher in this district than in any other. The actual figure is 468 lakhs, but this includes a certain number of mortgages under the Land Alienation Act, which after fifteen or twenty years lapse automatically without payment. Deducting 10 per cent on this account,[1] and, as before, assuming that unsecured debt is 40 per cent of the whole, we get a total debt of about 700 lakhs, or nearly £5 millions. This is equal to thirty-eight times the land revenue, which is twice the multiple for the whole province. The peculiarity of the district, which lies on the edge of Bikaner, is that not very long ago it was one of the poorest districts in the province and now it is one of the richest. Outside the canal colonies there is no part of the Punjab which owes more to British rule. Carved out of the small State of Ferozepore, which lapsed to the British Government in 1835, its 4,000 square miles were originally nothing but a 'dreary and desert plain, where . . . an almost continual dust-storm was the normal state of the atmosphere',[2] a kind of *ultima Thule,* which suddenly entered history with the battles of Mudki, Ferozeshah and Sobraon, all of which were fought within its borders. Only along the Sutlej, which half encircles the district, was there much cultivation, 'but in Muktsar a horseman at full speed would not reach the next inhabited spot within the hour'.[3] Ferozepore

Ferozepore

[1] Definite figures are not available, but my enquiries suggest that this is a very liberal estimate. There is general agreement that this form of mortgage is disliked by all but the idler cultivators, as it involves parting with land for a long period and debars an owner from taking advantage of the rising value of land to redeem a portion of it in a year or two.

[2] *S.R.*, 1855, p. 2.

[3] *Ibid.*, p. 76.

itself, which now has a population of 54,000, had then only 1,500 inhabitants. For many years the sand continued to drift to and fro, and a relentless if bracing climate did nothing to mitigate the hardships of nature. In 1883, came the turning-point in its history. In that year the Sirhind canal was opened and a new era began. Market towns sprang up, and road and rail were built,[1] abundant crops of wheat and gram were reaped, and prosperity reigned.[2] We have said above that in India every blessing is sooner or later neutralized by an increase of population. Ferozepore is only a temporary exception. In the twenty years from 1881 to 1901 population increased by 27 per cent. In the next ten years growth was almost entirely arrested by malaria and plague; but in the last decade, in spite of the destructive epidemic of influenza in 1918, it began again with redoubled force. The increase was nearly 15 per cent, and unless one of the great positive checks of nature again comes into play, it is likely to continue till the present prosperity becomes a thing of the past and life as great a problem as it is in the districts where men have multiplied too fast.[3] Meanwhile, however, cultivated holdings are still larger than in almost any other district of the Punjab. Towards Bikaner they average eighty or ninety acres, and it is only on the borders of Jullundur that they are less than ten. The district has, therefore, benefited to the full from the great rise in prices of the last twenty years, for, population not being excessive, there has usually been a large surplus to export.[4] The rise in the value of land has been even greater. Writing in 1915, the settlement officer observed that in the last twenty years 'or, it might almost be said, in the last ten years', its value had doubled in three tehsils and quadrupled in the other two.[5]

The prosperity of Ferozepore is characteristic of prosperity in this country. It has been gained too little by the exertions

[1] The line from Lahore to Ferozepore was opened in 1887; many lines have been constructed since.

[2] Now 46 per cent of the district is irrigated.

[3] In 1855, the density per square mile was 187 (*S.R.*, 1855, p. 83); in 1921, it was 270.

[4] In the twenty-five years between the last two settlements prices rose 50 or 60 per cent (*S.R.*, 1910-14).

[5] *Ibid.*, p. 10.

of the cultivators, and too much by the beneficence of Government and the favour of fortune. The one has given the district its splendid network of canals, the other a scale of prices and a range of markets unknown in the past. The Rajput, the Jat and the Arain had only to go on cultivating much as their forefathers did, though under far less arduous conditions, in order to reap a rich harvest of grain and coin. Of agricultural improvement or development due to the people themselves there is little sign. In the thirty years before the war the cultivated area only increased by 5 per cent. In two tehsils (Ferozepore and Zira) it has actually declined.[1] And the rise in the value of land is due less to native skill and industry than to the improvement in road and rail, the rise in prices, the opening of new markets, and, above all, to the security of the *Pax Britannica*. The prosperity of the district is in a sense a windfall. Now it is a matter of common observation that what is easily got is easily spent. This is what has happened in Ferozepore, and what in varying degree is happening in almost every other area that is prosperous. Half the cultivated land is in the hands of the Sikh Jat, a man who does splendidly, whether with sword or plough, as long as conditions are adverse. In Jullundur, where the size of holding commonly forces a choice between unremitting toil and emigration abroad, there is no better farmer or more enterprising emigrant: but in Ferozepore, though he still farms well, prosperity has had a demoralizing effect, and too often his substance is spent upon wine, women, and strife.[2]

Demoralising Effects of Prosperity

There is probably no district in the Punjab where at once more spirit is consumed, a higher price is paid for brides, and more is spent upon litigation. In India drink is rarely a cause of debt. For most the use

Drink

[1] *S.R.*, 1915, p. 9.

[2] An enquiry into agricultural mortgages in an assessment circle of Ferozepore in 1924-25 showed that nearly half the mortgages were made by sonless proprietors who were often gamblers and spendthrifts, and that, excluding loans for the repayment of old debt, 62 per cent of the amount borrowed was spent on wine, opium and gambling (39½ per cent), marriage (18 per cent) and litigation (4½ per cent)—*The Board of Economic Enquiry, Punjab, Rural Section Publication*—V, 1925, pp. 20, 24, and 25.

of liquor is wisely banned by religion or custom. To this the Sikh Jat is an exception, and in Ferozepore, where he forms 25 per cent of the population, we almost hear him exclaim with the Eastern sage, 'What life is then to a man that is without wine?'.[1] In the two years following the war the consumption of country spirit reached an average of five gallons per 100 of the population, against a provincial average of 2¼ gallons, the serious feature of which is that the bulk of it was consumed by a single caste.[2] Were life as hard to the Jat of Ferozepore as it is to his cousin in Jullundur and Hoshiarpur, this consumption of spirit would matter less, for it might merely give him the strength that the French or Italian peasant derives from his vineyard. But in India, prosperity and drink agree but ill together, and as often as not dissipation and crime are the result. This district is notorious for both, and many mortgages are due to gambling and drink.

Purchase of Brides

The second object upon which large sums are spent in Ferozepore, and in fact throughout the central Punjab, is the purchase of brides. The fact is sometimes denied in the town, but is familiar to all who live in the village, and only north of the Jhelum can it be said to be rare. 'By a son,' says Manu, 'a man obtains victory over all people; by a son's son he enjoys immortality.' Marriage is, therefore, a religious duty, and the very word for a son in Punjabi (*potr*) means deliverance from hell.[3] But the difficulty is that out of a population of less than 21 millions there are two million more males than females.[4] Even in more advanced surroundings the result of this would

[1] Ecclesiasticus, xxxi, 27.

[2] On the average of the three years ending 1924-25, Ferozepore is only beaten by five districts, Lahore, Amritsar, Rawalpindi, Ambala and Simla, which all have large urban areas to account for their high consumption (see *Reports on the Excise Administration of the Punjab*, Return V). In the assessment circle referred to above the consumption of wine is said to be on the decrease and now to be almost confined to occasions of marriage, except in the case of gamblers, who are generally habitual drinkers. The consumption of opium, on the other hand, is increasing (*ibid.*, p. 26).

[3] *Putra* (son) is traditionally supposed to be derived from '*put*', the hell to which the childless are banished, and '*tra*', which means 'to save' (Monier-Williams, *Sanskrit English Dictionary*, 1895, p. 632).

[4] In 1921, males numbered 11,306,265; females 9,378,759.

be demoralizing, but in a country where the village woman is regarded as little better than a chattel, the purchase of brides is inevitable, though few, perhaps, would go so far as the frontier Pathan, who, finding that it would cost Rs. 30 to replace his wife's broken nose, seriously considered whether it would not be a better investment to get a new wife for Rs. 80.[1] It must not be supposed that purchase is one of the effects of British rule, for it was common in the central Punjab before annexation,[2] but it has greatly increased of late, and now, says the *Gazetteer* of a typical central district, 'the custom is almost universal . . . and only a few of the better families abstain from it';[3] while of a western district we read that 'a large number of lawsuits, civil and criminal, practically turn on the question whether the mother or the uncle of a fatherless girl is entitled to the profits of mating her'.[4] The remark of a Rajput is characteristic of most of the Punjab. 'As he was my brother's son,' he explained, 'I gave him my daughter as a gift,' and the word he used for 'gift' (*danpun*) implied that it was an act of charity.

Hard cash is not always paid. To save self-respect it may be stipulated that the purchase price shall be spent upon ornaments and cattle for the bride, or upon the entertainment of the guests; or girls may be exchanged, a custom that is common in the south-west. A man of good family or with ample fortune can generally get his wife for nothing. The Rajputs, with their pride of caste, buy and sell less than most, but it was a Rajput who said to the writer: 'What can a man do? Can he prevail against his neighbours? Hard is our lot, and when the envoy comes and says that nothing will be done if nothing is given, the price is paid. So is our caste fallen from its pride, for in days gone by, when a daughter was wed, the father would not so much as drink water in the bridegroom's house, lest he should seem to take anything for her in return.' In parts of Ludhiana and Ferozepore, if the bridegroom is well born or well off, it may be the bride's father that has to pay, and this is generally the case in the highest castes. Not long ago a Khatri known to

[1] T. L. Pennell, *Among the Wild Tribes of the Afghan Frontier*, p. 194.
[2] See *Lahore Revised S.R.*, 1858, p. 11; and *Narowal S.R.*, 1850-59, p. 157.
[3] *Ludhiana Gaz.*, 1904, p. 50. [4] *Shahpur Gaz.*, 1917, p. 75.

the writer lost his wife, and within a week his grandfather, the head of the family, was offered Rs. 2,000 for his hand. The poor man, on the other hand, has to pay through the nose, for, as Solomon observed: 'Wealth maketh many friends, but the poor is separated from his neighbour'. Nor do the plebeian and the middle-aged fare any better, and worst of all are those who have some obvious defect of body or limb.[1] This buying and selling of wives has called into being a regular traffic in women, who are imported from the hills of Kangra and the deserts of Bikaner. The risk is small: if awkward questions are asked, there are always witnesses enough to prove satisfactory antecedents; and even if a former husband appears, the worst to be feared is a suit, which is not necessarily lost.[2]

Their Price

As with everything else that is subject to the law of supply and demand, the price of brides has steadily risen. In 1922, a Gujar of the Murree hills remarked to the writer: 'Two wives have I wed, and one has died. Both I bought eight or ten years ago for a hundred rupees; but now, if I would take a third, three or four times this price must I pay.' Then after a pause he added reflectively: 'Cloth, too, is dear, but it has not risen more than the price of a bride.' In the fifties a bride could be had for Rs. 50,[3] but nowadays in the plains nothing worth having can be got for less than three or four hundred rupees, and a serious epidemic may considerably raise the price. In Rohtak, for instance, where in 1918 influenza carried off 10 per cent of the people, the price rose from Rs. 500 to Rs. 2,000. In Hissar, on the other hand, the prolonged drought of 1919-21 reduced it from Rs. 2,000 to Rs. 500. In individual cases the most extravagant prices are paid. A villager from Gurdaspur was recently charged Rs. 4,000, as he was 'old' (he was 43) and had already had three wives without result. Another from Ferozepore had to pay Rs. 3,000, as his front teeth were coming out and the bride was only sixteen; while a money-lender of Dasuya had to pay Rs. 16,000 because his horoscope, which had been imprudently kept, showed

[1] 'An old man or a cripple or a one-eyed boy is sure to have to pay heavily for his bride' (*Rohtak Gaz.*, p. 91).

[2] In this connection see *Report on the Administration of Civil Justice*, 1921, p. 2.

[3] *Lahore S.R.*, 1858, p. 11.

that he had been born not only during an eclipse, in itself a sufficiently inauspicious occurrence, but also under 'Mangal',[1] a most unlucky star. These prices explain the boast of the president of a village bank, who said that one eye of his daughter was worth Rs. 1,000. But these are fancy prices (except, perhaps, for *beaux yeux*) and the average is considerably lower, varying, however, with both tribe and religion. A Muhammadan, it seems, can generally get what he wants for four or five hundred rupees, but the Sikh Jat has to pay one or two thousand. It is partly that custom allows the Muhammadan a wider range of choice, partly that he is not so well off. The Sikh, on the other hand, is wealthier, and the shortage of girls is greater with him than with any one else.

Polyandry and Infanticide

As a result of the high price of brides, many never marry at all.[2] In a Sikh village near Kasur it is said to be fifteen years since a boy was married. The people are too poor to buy brides, and too notorious as burglars and dacoits to be given them for nothing. Unable to wed, the Manjha Jat too often companies with the daughters of menials, and his magnificent physique is reported to be deteriorating in consequence. Elsewhere polyandry is not unknown, for two or three brothers will sometimes share a wife, or a man will emigrate and hand over his wife to a brother till he returns.[3] It is but a step from buying a wife to selling her. Thus an Amritsar Jat bought a widow and daughter (also Jats) for Rs. 600. He sold the daughter, who was in her teens, for Rs. 1,200, and six months later got Rs. 300 for the widow, clearing Rs. 900 in all. But the most surprising thing of all is that, in spite of the deplorable shortage of women, female infanticide still persists. This would be difficult to prove,

[1] Mars.

[2] As far back as 1881 it was noted that in most Jat and Rajput families in Ludhiana 'will be found one or two men who have remained single' (*Gaz.*, 1904, p. 38). Similarly Mr. Bhalla notes that in Bairampur 'a large number of males remain unmarried' (p. 139), while in a Rajput village of Shakargarh, I found that out of twenty-three men of marriageable age, seventeen were unmarried. Incidentally it may be remarked that the six who had married had spent an average of Rs. 1,500 each on their marriages.

[3] See *Ludhiana Gaz.* (p. 50), which says that 'it is almost certain that polyandry is common in practice', and also *Ferozepore Gaz.*, 1915, p. 69.

but those who are in a position to know are agreed that it exists here and there, where caste is high and suitable husbands few. Writing twenty years ago, a deputy commissioner of Jullundur remarked: 'The girls are sacrificed in order that loans for their marriage expenses may not encumber the land descending to the sons. The birth of a daughter is regarded as the equivalent of a decree for Rs. 2,000 against the father.' The father's emotions are well described in the Quran. 'And when a daughter is announced to one of them, his face becomes black and he is full of wrath. He hides himself from the people because of the evil of that which is announced to him. Shall he keep it with disgrace or bury it in the dust?'[1] Nowadays it is usually the grandmother and the midwife who get rid of the infant, and 'the methods most resorted to are starvation, or starvation followed by a glut of milk, which causes severe colic, or exposure to the weather; but when hasty measures are desired the poor infant is placed in a large jar, the cover is put on and not removed till the child is suffocated'.[2] Conditions are probably better than they were twenty years ago, but there are still Jats and Rajputs who would rather see their daughters dead than married beneath their station, and according to trustworthy authority infanticide still occurs throughout the central Punjab.[3] The practice is no doubt repugnant to modern civilized sentiment, but it should be remembered that it was familiar to the Greeks at the height of their civilization, that Pliny speaks of it as necessary and Seneca saw nothing wrong in it, that it is still common throughout China, and that it 'excites no feeling of repulsion or aversion among non-Muhammadan and non-Christian peoples and is, on the other hand, deemed a necessary and natural means . . . of restricting the family within economic limits'.[4] In the Punjab, where the shortage of women is so great, there is nothing to be said for it, and that it should

[1] Ch. xvi, 58. Cf.:—'Do not kill your children for fear of poverty' (ch. xvii, 31).

[2] *Jullundur Gaz.*, 1904, p. 60.

[3] One of my authorities is a Sikh official of standing, and he went so far as to say that one reason why village menials do not have to buy their brides is that they do not kill their infant daughters: see also *Ferozepore Gaz.*, 1915, p. 70, and Lucas, op. cit., p. 48.

[4] *Census of India*, 1921, vol. I, Appendix vi.

still exist is a curious commentary upon human logic. Incidentally it must tend to raise the price of brides, and this is now so high that few can purchase without resort to the money-lender. Nor is the increase of debt on one side compensated for by repayment on the other, for, as some villagers in Ludhiana observed: 'The parents of the bride take Rs. 400, but spend it at once: it is ill-gotten gains: the women of the house buy silks: the men are ashamed of the money and spend it secretly.'[1] Occasionally, no doubt, some part of it may be applied to the repayment of debt, but probably never as much as what was borrowed to pay the price. The net result, therefore, is an increase of debt.

Is Marriage Expenditure a Cause of Debt?

The purchase of brides raises the question as to how far marriage is an important cause of debt. Some authorities, notably Mr. Thorburn, consider it of little consequence.[2] To this view the writer cannot subscribe. It is not the opinion of the countryside, nor does it agree with the result of his enquiries.[3] Outside the Punjab, with the important exception of the Deccan Riots Commission (1875), the leading authorities (including the Famine Commission of 1880) are against it. This is what Mr. K. L. Datta says, after an enquiry which extended over the whole of India: 'In a good year his (the cultivator's) ignorance and improvidence make him spend the whole of his surplus on marriages and festivities, and his extravagance on such occasions often leads him even in good years to the doors of the money-lender. A ryot would stop at no extravagance in marrying one of his children or performing any funeral or social

[1] *Ludhiana A.R.*, p. 14.

[2] Mr. Thorburn writes in his report (p. 23): 'On the whole, this enquiry shows that the common idea about the extravagance of zemindars on marriages is not supported by evidence.' But he adds that the expenditure on them is still more than poor men can afford, and he found that in 20 per cent of the cases examined this expenditure was 'one amongst several causes of debt'.

[3] The local *Gazetteers* and settlement reports nearly all stress marriage as an important cause of debt. What the settlement officer of Ambala wrote in 1890 is typical: 'Every man,' he says, 'marries, and nearly everyone borrows to do so.' Only in the south-west of the province is this not the case: there insecurity and improvidence are the dominant factors.

ceremony, to show more ostentation than his fellows.'[1] Similarly Major Jack, after making a more extensive and exhaustive enquiry into debt than anyone before him, came to the conclusion that 'the great majority of agricultural debtors get into debt through improvident expenditure upon domestic ceremonies, and in particular upon marriages. . . . It is no uncommon thing for a whole or half a year's income to be spent.'[2] In the Punjab, we find that the Famine Commission of 1880 regarded expenditure on marriage and other ceremonies as one of the most prominent causes of debt,[3] and forty years later, when a village in Hoshiarpur was surveyed, it was found that nearly 40 per cent of the original debt of the village had been incurred for marriage and other social ceremonies.[4] 'A Jat,' says another authority, 'will sometimes marry almost any woman he can.'[5] This is because marriage is not only a religious duty, but also an economic necessity. As they say in Multan, 'The bachelor's *life is not a happy one: he has himself to cook the food and* himself to lift the water-pots'.[6] Again and again, on enquiring why a member of a village bank was in default, the answer has been, '*Akela admi*' (he is alone). There is no one to look after his house, no one to bring the midday meal to the fields, no one to pick the cotton or to help in the weeding. A widower is often half paralysed when he loses this assistance. It is not surprising, therefore, that a man marries as soon as a suitable bride can be found. There is no looking ahead as to whether children can be supported or not, and land has risen so much in value that the actual cost of marrying presents much less difficulty than it should. What Sir Charles Bernard wrote of the Central Provinces fifty years ago is still true to-day: 'We see on all sides ryots or petty landholders habitually borrowing and spending sums equal to two, three or six years' income for a single marriage or betrothal.'[7] Sir J. B. Fuller, writing twenty-two years later, went even further. 'Cases,' he says, 'are common when a ryot will admit having spent twenty years'

[1] Op. cit., i, 164. [2] Op. cit., p. 100.

[3] *Famine Commission Report*, 1880, pt. ii, ch. iii, sect. iv, para. 7.

[4] Lucas, op. cit., p. 100. [5] Bhalla, op. cit., p. 139.

[6] *Chhare karman de sare, ap pakende rotian, ap bharende gharian.*

[7] Quoted by Sir J. B. Fuller, Commissioner of Settlements and Agriculture, Central Provinces, in a note dated 15 January, 1889.

rental on marriage; they are not uncommon when he will admit having spent as much as fifty years' rental."[1] Even when credit is controlled, as it is in a village bank, extravagant sums are spent. The writer remembers a co-operator who one year spent Rs. 1,300 in marrying a son, and the next Rs. 400 in marrying a daughter. Together the two sums represented seventeen years' rental of his ten acre holding; and what made it worse was that he was already Rs. 1,500 in debt.

Cost of Marriage

In the south-west of the province a man may still get married for Rs. 200 or less, and north of the Jhelum it only costs a hundred or two more; but everywhere else the peasant proprietor with only a few acres will have to pay at least four or five hundred rupees. In the Hoshiarpur village of Bairampur, where holdings average less than five acres, it was found in the case of a typical Jat that marriage costs the bride's father Rs. 473 and the bridegroom's Rs. 569.[2] In the Sikh district of Ludhiana it can hardly be done under Rs. 1,000, and even ten years ago, before prices had risen, a Jat with only five acres would readily spend seven or eight hundred.[3] In Sialkot, where habits are extravagant, and in Ferozepore, where money is plentiful, these figures can certainly be doubled;[4] while further south, in Hissar, on the edge of Bikaner, the Bagri Jat rarely spends less than Rs. 2,000. An official of Ferozepore on Rs. 60 a month with twenty-two acres of unirrigated land, told the writer that in 1919 the marriage of his daughter had cost him Rs. 1,700; and another official in the same district, with double the pay and fifteen acres of irrigated land, said that his marriage had cost Rs. 3,000, of which Rs. 2,000 was spent on jewellery for the bride. Instances like these could easily be multiplied, and it should be remembered that they are perfectly normal cases, relating not to the landlord

[1] Memorandum on the report of the Poona Commission, para. 8.
[2] Bhalla, op. cit., p. 165. [3] *Ludhiana S.R.*, p. 20.
[4] Cf. the following passage regarding Jat Sikhs from the Ferozepore Report quoted on p. 51:—'Much expenditure is incurred on marriages . . . . Those better off pay nothing to the parents of the girls, but incur heavy expenditure on ornaments, etc. The middle group may have to pay as much as Rs. 2,000 to the girl's parents, besides the cost of feasts. The poorer, who cannot afford such heavy sums, have frequently to remain unmarried, and swell the number of sonless proprietors' (p. 26).

but to the peasant proprietor. In the case of the former there is almost no limit to expenditure. Ten or fifteen thousand rupees are common enough, and more than ever must the help of the money-lender be sought.

Marriage 'on the cheap'

There is one way in which marriage can be done 'on the cheap', and that is by exchanging a daughter or a niece for a bride, for then little is spent upon jewellery and not much upon guests. But the following case, which is given in detail as it is typical of a thousand others, shows that even so debt is not easy to avoid. The person concerned, a Jat Sikh of Sialkot, had been a bandsman in the army, and on his return from the war with Rs. 600 in his pocket, the fruit of three years' service in Mesopotamia, decided to settle down and get married. Not being well off—the small family property of seven acres had vanished in a mortgage—he could not hope to get a wife for nothing. Enquiry showed that he would have to pay anything up to Rs. 2,000, and another Rs. 500 for the inevitable *tamasha*.[1] This being more than he could manage, he approached a sister who had a marriageable daughter on her hands, and offered to pay the cost of her wedding if she would consent to exchange her for a bride for himself. The bargain was struck, and before very long two weddings took place, for each of which he had to pay Rs. 600. Half of this went in jewellery and clothes for the bride, and the other half in entertainment of the guests. Rs. 80 were received in wedding presents (*neonda*); so the net cost was about Rs. 1,100. How was this met, I asked. The reply was instructive: Rs. 300 were taken out of the family chest, Rs. 600 were available from Mesopotamia, and the remaining Rs. 200 were *borrowed* at 24 per cent. It was three years before the debt was repaid. There is nothing sensational in this case. On the contrary, it is an example of economy: but it shows how disproportionate marriage expenditure in this country is to resources, and how the accumulated savings of years may vanish in a week, leaving a man with a debt to pay as well as a wife to support. The only other way to avoid an expensive wedding is to borrow the necessary jewellery for the occasion; but this is a risky business if there is another son to be married,

for, if it comes to be known, the nakedness of the land is apparent and neighbours may hold off with their daughters. In fact, rather than incur a suspicion of poverty a man will marry his first son with a splash, as the easiest way of getting a bride for nothing is a reputation for wealth. I remember a man with ten squares[1] of good colony land being hotly criticised for spending only Rs. 1,500 on jewellery, when a neighbour with only one square had spent Rs. 2,000. 'I am rich enough,' he said, 'to marry my sons when I please, but if Atma Singh makes no show, he will not marry them at all.'

Expenditure on Jewellery

In the central Punjab, apart from the cost of a bride, half or two-thirds of the expense of a marriage is due to the purchase of jewellery. No doubt this is a form of investment, but it is rarely regarded as such, and in any case no investment could be more wasteful. Money is borrowed at from 12 to 25 per cent to buy ornaments worth at most only two-thirds of their price. Or pure gold is given to the *sunar*[2] and an alloy is received in return. Now that gaudy inlaid ornaments are coming into fashion in place of those of solid silver and gold, it is easier than ever for the goldsmith to cheat. Many is the proverb against him. 'Five touches of the *sunar*,' says one, 'will convert gold into iron.' 'Think not,' says another, 'that the harlot can be pure, the donkey chaste or the goldsmith clean.' 'In his own mother's bracelets,' says a third, 'will he mingle dross.' In Sirsa, when the hitherto impecunious Rajput came back from the war with money in his pocket, he bought a gold necklace or bangle for his wife. A year later came the drought, and necklace and bangle had to be pawned at half the price. The wily money-lender, too, made it a condition of redemption that it must be done within the year. The drought continued and the time for redemption passed, and half the original price of the jewellery was lost.

It is difficult for one who has not lived in this country to realize the part played by jewellery in Indian life. 'In India,' says Professor Kale, 'jewellery has been the average person's bank, which yields no interest. As soon as a man has made a small saving, he will hasten to convert it into an ornament for himself, his wife or his child.'[3] This tendency reaches its climax

[1] 270 acres. [2] Goldsmith.
[3] V. G. Kale, *Indian Economics*, p. 105.

at marriage when loans as well as savings are taken in order to adorn the bride and deck every part of her person with its appropriate ornament. If wealthy, she will wear 'a chaplet of gold thickly set with gems for the head . . . jewelled rings round the entire rim of the ear . . . gold pins and nets for the hair, jewelled drops or rings for the nose, which is pierced at the side or in the cartilage between the nostrils, a jewelled collar for the neck . . . bracelets and cuffs of gold for the wrists, rings for the fingers, a heavy zone of gold for the waist,'[1] and anklets and toe-rings of silver for the feet; and, finally, a gold locket is concealed in the bosom, containing a charm against barrenness and the evil eye.[2] Such profusion, no doubt, will only be found where there is wealth, but the *Gazetteer* of so poor a district as Hissar specifies no less than eighty-one different ornaments, including five for the nose alone. A woman's social standing, unless she is a widow, is largely determined by her jewels, so much so that a settlement officer, who subsequently became Lieutenant-Governor, tells how the women of his district used to condole with his wife on his stinginess in not supplying her with better jewellery.[3] And it is not only her social but also her material position that is affected. In a country in which women are bought and sold it can be understood that her position is highly insecure. A quarrel may lead to separation, or her husband's death may leave her an unprotected and penniless widow with no right to any share in his estate. Her natural anxiety, therefore, is always to have something that may be retained in her personal possession against the uncertainties of fortune, and nothing serves this purpose so well as jewellery. In the old days she was content with silver, but now, more often than not, she must have gold.

This thirst for gold at the time of marriage is not peculiar to the Punjab, as the following passage from *Gora*, the well-known novel of Bengal life, shows:—'But the future father-in-law,' said Mohim, 'will never be satisfied until he gets possession not only of the girl but of more than her weight in gold—for he is well aware that a human being is classed as "Perishable

[1] M. M. Urquhart, *Women of Bengal*, 1926, p. 95.

[2] All these ornaments, except the zone of gold, are common in the Punjab.

[3] *Karnal S.R.*, 1883, p. 125.

Goods" and gold lasts much longer."[1] If we consider the vast population of India and the wasteful expenditure upon its innumerable marriages, we shall have no difficulty in understanding its ceaseless absorption of the precious metals. Yet even so, for a country that is commonly accounted one of the poorest in the world, the figures are surprising. In the twenty-five years ending 1925-26, gold and silver were imported to the value of 1,108 crores,[2] a sum probably far more than sufficient to pay off the whole of India's agricultural debt. In a single year (1924-25), the amount was 98½ crores or nearly £74 millions.[3] The official explanation of this phenomenon corroborates what has been said above. 'It appears,' says the report on the subject, 'that most people who had surplus cash invested it in gold and that almost every family in which marriages were likely to occur during the next year or two, took the opportunity to lay in the necessary store of gold while it was cheap.'[4] Thus, the wealth that should have been the means of financing every kind of development has been largely applied to the adornment of ear, nose, neck, arm, ankle and wrist.

The Burden of Social Ceremonial

It may be urged that it is only now and again that a marriage occurs, and that, happening so seldom, even if it means a loan, it is no great matter. This was the view of the Deccan Riots Commission, which remarked in its report that 'the constantly recurring small items of debt for food and other necessaries, for seed, for bullocks, for the Government assessment, do more to swell the indebtedness of the ryot than an occasional marriage'. But, it may be asked, are marriages in India occasional? In the Punjab, a boy is normally married at sixteen or seventeen, and a girl a year or two earlier. A family of three, therefore, means a marriage on the average once every five or six years, and there may be a nephew or a niece to marry as well: and,

[1] Rabindranath Tagore, *Gora*, p. 339.

[2] Owing to fluctuating rates of exchange it is difficult to calculate the sterling value of this sum, but it must be well over £750 millions. At 1*s*. 4*d*. to the rupee, it would be £739 millions. If the value of bullion exports is deducted, the figure would be 873 crores or £582 millions. For the rupee figures quoted see *Report of the Controller of the Currency for 1925-26*, pp. 50-1.

[3] With an eighteenpenny rupee.

[4] *Report of the Controller of the Currency for 1925-26*, p. 7.

owing to the early age of marriage, no sooner is one generation settled than another arises. Moreover, in a year in which there is no marriage there may very well be a betrothal or a funeral. Both will probably cost one or two hundred rupees, a sum that in a poor country is not always available. Recently, the writer came across the owner of a few acres of land working as a cooly upon the road at seven annas a day. He was trying to pay off a debt of Rs. 200 incurred for his father's funeral. In Hissar, amongst the *Bagri* Jats, more will be spent upon a funeral than upon a marriage, and even in the central Punjab the cost may run up to Rs. 500. A red silken cloth has to be thrown over the body of the dead, and relatives and neighbours have to be entertained and given presents of clothes. Again we may quote *Gora* :—'The obsequies that have to be performed at the funeral of a parent are the cause of a more serious misfortune than the death itself of a father or mother. No one will accept the excuse of poverty or any other form of inability—no matter how it is accomplished, society's heartless claim has to be satisfied to the very last farthing.'[1]

As we saw above, a man who toils without ceasing may have enough and to spare to meet all the claims of custom, but few are as frugal and as industrious as the Mahtons of Hoshiarpur and Jullundur. Even in a good year a marriage will see the parties going off to the money-lender for part at least of the cost, and in a bad year, as likely as not, the whole will be borrowed. If only the peasant would not marry when the harvest is bad he would be in better case, but religious duties take no account of the harvest. 'If we do not marry,' said a Jat, whom the writer was reproaching for an imprudent marriage, 'we are as the unclean.' For the same reason, too, he will not wait till he can support a family: the very fakirs marry, though they have to beg the means of obtaining a bride. And the worst of a loan for a marriage is that it is usually not only large but also unproductive. No loan, therefore, is more difficult to repay, and no loan nails a man more tightly down in the coffin of debt.

CHAPTER IV

THE CENTRAL PUNJAB—(*continued*)

IMPROVIDENCE, EXTRAVAGANCE AND LITIGATION

ALLIED to the question of marriage expenditure are two causes of debt which we must now discuss, namely, improvidence and extravagance. The two are sometimes confused though sufficiently distinct. In a sense all extravagance is improvidence, but not all improvidence is extravagance. For instance, the man who marries before he has enough to support a family is improvident, but he is only extravagant if he spends more on his wedding than he can afford. There is general agreement that in India improvidence and debt are intimately connected. In the Punjab there is a popular saying—'Give a man Rs. 100 and in a month he will have no more to show for it than a man who had only a bottle of liquor.' What a settlement officer wrote nearly fifty years ago is still largely true: 'It is not bad farming or extravagance so much as improvidence that makes the agriculturist indebted.'[1] In India, except where there are canals, agriculture is a gamble in rain, and too often the gambler's habits prevail. In a good harvest the prudent man lays by for the bad; but the Indian peasant is not made that way. Almost literally he takes no thought for the morrow, and from time immemorial this has been the way of the East. Nearly 3,000 years ago Solomon noted it and wrote[2]:—

Improvidence

> Go to the ant, thou sluggard:
> Consider her ways and be wise:
> Which having no guide,
> Overseer, or ruler,
> Provideth her meat in the summer,
> And gathereth her food in the harvest.

And then in the picturesque phrase of the Bible follows a warning of the inevitable consequence of improvidence.

> So shall thy poverty come as a robber,
> And thy want as an armed man.

[1] E. O. O'Brien's Report on Muzaffargarh, quoted in the *Punjab Famine Report*. [2] *Proverbs*, vi, 6.

The Riverain Tracts

Nowhere is this improvidence more marked than in the riverain tracts of the province, and nowhere is farming more of a gamble. Whether it is the Ravi, the Beas or the Sutlej, or 'the harlot Sind', as the Indus is popularly called, it is always the same. *'Ek sal amir, ek sal faqir'*—rich to-day, a beggar to-morrow—is the way it is put by local wit, and it exactly expresses the case. If the river behaves itself, there is 'God's plenty'; but if a big flood comes down, it is good-bye to crop, cattle, and home. Thus one proverb says that 'he who neighbours a river is neither hungry nor thirsty',[1] and another that 'to go and live by a river is to place a babe in a witch's lap'. On the whole the latter is nearer to the truth. In 1922, the Beas came down a dozen times in flood, and swept six or seven villages bodily away, and in 1927 it was equally violent. The members of a village bank, says the report of a co-operator, 'had to shift their abodes to three different places. There are no acres left, none to build their houses upon. They have now arranged for temporary houses on the lands of a neighbouring village and have begun to cultivate as tenants.' Anyone who knows these rivers at all will have seen on their banks the little clusters of wattled cotes hastily built where villages have been swept away; and again and again, as one goes down the river, comes the prayer for land from the man who has lost all his fields. No wonder that grain and *gur*[2] are still offered to the river-god, and that the great Khwaja Khizar, who lives below with the crocodiles, is mentioned with bated breath. So much more powerful is he than man, that few trouble to stake their effort against him: no amount of toil will avert his wrath, while, if he is kind, a very little labour will fill the bins. The soil is often so rich with alluvial mud that a ploughing or two will secure an abundant harvest: sometimes it is not ploughed at all.

The higher Nilus swells,
The more it promises; as it ebbs, the seedsman
Upon the slime and ooze scatters his grain,
And shortly comes to harvest.[3]

Yet the day may come when it will all disappear in a frothing tide, reappearing, when the muddy waters ebb, as sand.

Character of the People

Only men with the qualities of the ant could work well under conditions so destructive of effort. Unfortunately the Gujar and the Dogar, who abound along the rivers, have little of the ant about them. A hundred years ago most of them were shepherds or graziers, and lazy pastoral habits still prevail, with the tendency of every shepherd since the days of Jacob to increase his flock at the expense of his neighbour. Down both Sutlej and Indus there are many who use the thick river scrub of pampas and tamarisk to cover the traces of a stolen bullock, or who take advantage of a timely flood to swim another man's buffalo a mile or two down the stream before dawn. Not all, however, who live in the *Bet,* as these low-lying riverain tracts are called, are cattle thieves, nor are all equally improvident. To some extent the evil varies with the tribe. In the Ludhiana *Bet* the Rajputs are described as 'invariably lazy, extravagant and embarrassed', whereas the Jats, when not a prey to fever, are said to be industrious, intelligent and prosperous.[1] It is rare, though, to come across any of these three last epithets in a description of a *Bet,* and even the Arain, who has made Nakodar a garden, is a different creature and, as we have seen,[2] far more heavily involved in the adjacent tehsil of Zira, three-quarters of which are *Bet.* The influence of the *Bet* is seen at its worst in Ferozepore, along the borders of which the Sutlej glides like a snake, and the tract is vividly described in the following passage by a settlement officer, who wrote seventy years ago: 'They (the Dogars, Gujars and Bhattis) are utterly devoid of energy, and are the most apathetic, unsatisfactory race of people I ever had anything to do with. They will exert themselves occasionally to go on a cattle-stealing expedition or to plunder some of the quiet, well-conducted Arains . . . but their exertions are seldom directed to a better end. They take not the slightest pride or interest in any agricultural pursuit; their fields are cultivated in the most slovenly manner; you see none of the neatly-kept houses, well-fenced fields, fat bullocks, and wells kept in good

repair which distinguish the industrious castes; but the hovels in which they live are generally half in ruins; no fences ever protect their fields, their cattle are half starved, and their walls often in the most dilapidated condition.'[1] In Zira, there are a few signs of improvement, for instance, an occasional Persian wheel and a slight rise in the standard of living; but in the rest of the area the description applies almost word for word, especially in regard to cattle-lifting, which is said to be as vigorous as ever and to be infecting the law-abiding Arains and Jats.

Why mainly Muhammadan

It is a curious feature of riverain tracts that they are mainly inhabited by Muhammadans. There are rival theories to explain this. Some say that when the Sikh ruled, he seized the securer uplands for himself and drove the poor Muhammadan down into the *Bet*. Others, going further back, say that this was exactly what the Muhammadans did, only *vice versa*, for in those days, when wells were few and canals not at all, the low-lying lands along the river were the best, and were greedily seized by the Muhammadan invader, who was more a shepherd than a farmer. Even now the proverb says, 'Low-lying land and well-to-do relatives are always an advantage'.[2] Neither theory is convincing. The Sikhs were certainly not squeamish about eviction, but there is no evidence of the wholesale eviction that the former theory suggests. There is more to be said for the other view; but, it may be asked, if the Muhammadan took the river lands because they were the best, how is it that for the most part we find there not the ruling Pathan and the high-born Rajput, but the humble Dogar and Gujar? The writer's theory is that life in the *Bet* produces just the type of character, happy-go-lucky and poor, that is likely to adopt a religion at the point of the sword. However this may be, the fact that the bulk of the population is Muhammadan has undoubtedly complicated the problem of debt. The Muhammadan has a natural contempt for accounts, and in the *Bet*, if indeed anywhere, rarely checks expenditure until his elbow is unpleasantly jogged by the money-lender. This incompetence in money matters,

combined with the prohibition against usury which he has inherited from the law of Moses, puts him at the mercy of the money-lender, who consequently thrives in the *Bet*.

But the problem goes deeper than religion or caste. Whatever the tribe, Rajput, Gujar or Jat, and whatever the religion, Hindu, Muhammadan or Sikh, debt is the rule and thrift the exception. Some by hard work may mitigate the uncertainty of the harvest, but few can avoid the other two curses of the *Bet*, disease and over-population. 'In a bad year,' says the *Ludhiana Gazetteer* (p. 44), 'one can scarcely find in October an able-bodied man who is not suffering from fever,' and along the Indus, where for four months in the year the whole country is a lake or a swamp, 'fevers, dysentery and kidney trouble are universal'.[1] Though in a hot, dry country like the Punjab nothing can be done without water, there is no greater impediment to health than to have it just below the surface; and when, as in the *Bet*, regularly every year it oozes up above it, health is out of the question whether for man or beast. 'A strong body,' says an ancient writer, 'is above infinite wealth';[2] and certainly for the small holder, whose only chance of keeping afloat is unceasing work, wealth is impossible without it.

Disease, Over-population and Debt

In the *Bet*, holdings are not only small, but smaller even than in the country round.[3] It is a strange fact that where life is unhealthy it is generally prolific; and as life is only prolific where food is easily got, it would seem as if nature ordained that what was easily got should not be long enjoyed. In good years the *Bet* produces food in abundance, and, though

[1] *Leiah A.R.*, 1924, p. 18.

[2] *Ecclesiasticus*, xxx, 15.

[3] Cf. the following averages :—

Tehsil		*Bet*	Whole Tehsil
Ludhiana	...	3 acres	5¼ acres
Samrala	..	4¼ ,,	5¼ ,,
Jagraon	...	6 ,,	7 ,,
			Rest of Tehsil
Ferozepore	...	13 ,,	15 acres
Zira	...	6 ,,	8 ,,

in a bad year everything may be washed away, by a tightening of belts a large population can be maintained; but the price to be paid is a low standard of living. Along the Beas, in a part of the Dasuya tehsil, there are 1,176 people to the cultivated square mile,[1] and along the Ravi, in Gurdaspur, the density is over 1,000. A little further down, where the river forms the northern boundary of the prosperous district of Amritsar, we read of 'attenuated frames' and of 'faces deeply marked with the lines of semi-starvation'.[2] These are the results of over-population in unhealthy surroundings, for population is thicker here than almost anywhere else in Amritsar; and it is not surprising, as the settlement officer remarks, that the standard of prosperity and comfort is correspondingly low. In Lahore, the Ravi riverain is the only part of the district where there is admittedly serious embarrassment;[3] in Ferozepore, the *Bet* is waterlogged with debt; and much the same is true of Ludhiana and Hoshiarpur. Conditions in Dasuya have already been described, and in Ludhiana the figures of my enquiry, which are almost entirely derived from those who live on the banks of the Sutlej, show that debt is twenty times the land revenue. As long ago as 1879, it was noted that every owner in the Ludhiana *Bet* was in debt and that the only cause was thriftlessness.[4] This is still more the case with Muzaffargarh, a district compounded of nearly all the rivers of the Punjab which meet on its borders. In its riverain, 'the ordinary man is in debt up to the limit of his security';[5] and so listless are the cultivators from disease that, if the Indus rises higher than usual, their crops are frequently swept away solely for want of the necessary energy to stack them out of danger.[6] What every *Bet* needs more than anything else is the inculcation of thrift. Necessary everywhere, in a *Bet* it is the *sine qua non* of a decent life. Without it, it is useless to try and improve the methods of agriculture, which are there at their worst. With it, even health may improve and population diminish. Happily, a start has been made with village banks, colonies of which can now be found all the way down every river in the Punjab. These are

[1] Rehkar Circle. [2] *Ajnala A.R.*, 1913, p. 15. [3] *S.R.*, 1916.
[4] *Famine Report* of 1879, p. 422. [5] *Leiah A.R.*, 1924, p. 18.
[6] *Leiah Gaz.*, 1916, p. 3.

the hope for the future and sorely are they needed, for these tracts of riverain country are the plague spots on the prosperity of the province.

If conditions in the *Bet* have been described in detail, it is because in the Punjab there are 1,660 miles of river length, embracing a riverain population of over a million.[1] In lesser degree, too, these conditions are typical of India as a whole. The most arresting fact about India is that her soil is rich and her people poor. Those who know the *Bet* will understand the paradox. In a good year the earth yields her increase abundantly, often more than once, and from this abundance springs a population of 319 million souls. But nature is capricious and man improvident. When the lean years come there are too many mouths to feed and little or nothing laid by. If men do not die, it is because in a warm country life can be supported for a time on next to nothing. Accordingly, in spite of want, population multiplies, but the price to be paid is a low standard of living; and the standard of living being low, the three scourges of India, malaria, hook-worm and plague, prevail unchecked. In Europe, we may talk of the survival of the fittest (though modern legislation is doing its best to prove it a lie), but in India it would be truer to speak of the survival of the least unfit. If abundance is the blessing of a climate that is at once moist and hot, bad health is its curse. And so we arrive at the secret of India's poverty, over-population, improvidence and disease, all of which are to be found in the *Bet*.

If improvident expenditure is pushed beyond a certain point it becomes extravagance. Authorities differ as to how far the latter is a cause of the cultivator's embarrassments. Mr. Thorburn, after an exhaustive enquiry in twelve villages, thought that it had very little to do with the case. 'It is idle to say,' he writes, 'that zemindars are thriftless, quarrelsome or extravagant, and have themselves to blame for their indebtedness. The evidence

Extravagance and Debt

[1] If we assume an average width of three miles and apply the average rural density of the tehsils through which the rivers run, the population would be 1,137,750, a figure which was kindly worked out for me by the late Census Superintendent.

of this enquiry brings home none of these charges, except to some small extent thriftlessness.' Any opinion of Mr. Thorburn's on the subject of debt carries weight, but in this case there is formidable evidence against him. In 1899, the Financial Commissioner of the Punjab found that out of some 6,500 cases of alienation one-sixth were due to extravagant expenditure thoughtlessly incurred. In 1892, Sir J. B. Fuller, after examining the assessment papers of over 9,000 villages in the Central Provinces, came to the conclusion that indebtedness results from 'sheer wastefulness and extravagance'.[1] The Deccan Commission, though less emphatic, regarded extravagance as a cause of debt,[2] a view that is generally endorsed by the opinion of the countryside. Finally, there is the evidence of the assessment reports, in many of which extravagance figures prominently as a cause of alienation and mortgage. Not one of our four submontane districts escapes the charge, and in the central Punjab Jullundur alone appears to be free from the taint. Ferozepore is notorious and Sialkot almost as bad. In the south it is much less marked, but the Bagri Jats along the Bikaner border are famous for their funeral feasts, and those of Palwal near Delhi for their love of bhang; and in the Rohtak tehsil, a village analysis of sales and their causes showed that far the greater part were due to 'recklessness or to special cases of difficulty'. North of the Jhelum, however, except in parts of Attock, extravagance is rare, and even in the highly improvident south-west it is confined to the large landlords, who have little to do but spend their rents. Extravagance, then, exists, but it is far from general. When it is found, it is nearly always due to one of three causes—the neighbourhood of a large town, prosperity, or caste. The Rajput is the best instance of the latter. As we have seen, he is greatly given to extravagance and, wherever he is dominant, is apt to infect his neighbours with the taint. The influence of the larger towns is also bad. With their ready markets and many pleasures they bring both prosperity and temptation. To many the combination is difficult to resist. Round Amritsar, a mortgage can often be traced to dissipation

[1] Memorandum on the Poona Commission Report, dated 29 September, 1892.

[2] Dupernex, *People's Banks for Northern India*, p. 12.

and drink.[1] Near Lahore, the Arain, normally the most frugal of men, is so extravagant that the Arain co-operative societies of the neighbourhood have been forced to limit expenditure at marriage and death by rule, and punish a breach by fine. This extravagance is reflected in the figures given in the last chapter,[2] which show that debt in the Lahore tehsil is twenty-two times the land revenue. Even in the country round Rawalpindi, which gives its name to one of the sturdiest districts in the province, extravagance is said to be common and 'debauchery far from unknown'.[3] But the greatest cause of extravagance is prosperity. Thanks to canals and high prices, many a Punjabi has suddenly found himself with money in his pocket, and like the half-educated man who comes into an unexpected fortune he launches out more than he should. Most of the places mentioned above are instances of this, notably Ferozepore, which is only less flourishing than a canal colony, and Rohtak, in which there is considerable affluence. It is this combination of prosperity and extravagance which helps to explain the high prices given for brides, the mass of gold converted every year into ornaments, the excessive prices paid for land, the large consumption of liquor in the more prosperous districts, and the ever-increasing number of suits. But not all are prosperous, and for the most part the man with a few acres, the typical peasant proprietor of the Punjab, has a hard struggle to maintain himself and his family. He may be improvident, but he is rarely extravagant. Indeed, a traveller riding through the country from village to village might well doubt whether there was any extravagance at all. Conditions are still primitive, houses and food of the simplest, and clothes, in winter at least, far too meagre. But if he stopped to attend a Rajput wedding, he would be surprised at the amount of hospitality and show; and if he were foolish enough to linger round a large town, he would have no difficulty in discovering the rake and all the familiar signs of his progress. Or again, if he marched through one of the great canal colonies, he would hear tales enough of the sums spent to gain or pervert the ends of justice. But these would only be incidents in a kaleidoscope revealing more improvidence and waste than extravagance and vice.

[1] *Amritsar A.R.*, 1912, p. 16. [2] P. 44.
[3] *Rawalpindi A.R.*, 1905, p. 21.

10

There is one aspect of rural life in the Punjab which is commonly quoted as an example of the cultivator's extravagance, and that is his almost passionate love of litigation. 'The people of the Punjab,' says a Report of 1925, 'are greatly addicted to litigation and the litigation is of a more serious nature than in most other provinces.'[1] In 1922, for instance, in proportion to population nearly twice as many suits were instituted as in the United Provinces.[2] It is not uncommon to hear of suits dealing with the minutest fraction of an acre being fought up to the High Court, and of criminal cases involving the expenditure of thousands of rupees. That many get seriously involved in consequence cannot be disputed, but whether in the province as a whole, litigation is a major cause of debt is more difficult to determine. Unfortunately, there is little definite evidence on the subject. There is the enquiry of 1889, when 8,634 alienations were examined, and it was found that only 241 were due to litigation against 1,003 for marriages and social ceremonial: and there is Mr. Thorburn's enquiry of a few years later, which showed that not more than 2 per cent of the debt in his twelve villages was the result of civil suits.[3] For more modern conditions, we have to rely upon general information and upon the opinions of those best acquainted with the people. Amongst the latter few can compare with the settlement officer, and if we turn to recent settlement reports we find litigation constantly mentioned as an important cause of debt. This is the case in Ludhiana, Amritsar and Jullundur, to go no further than the central Punjab; and in the last, litigation is described as 'one of the most notable features of the district'.[4] Further west, owing to the factions and feuds of the people, it is equally prominent and, all down the Indus, from Attock to Muzaffargarh, litigation and debt would appear to be closely allied. 'To people,' says the settlement officer of Mianwali, 'who are not only delighted to take advantage of the smallest chance of joining in an affray or trying their strength, but are also despe-

Litigation

[1] *Civil Justice Committee Report*, 1925, p. 500.

[2] Institutions were nine per 1000 in the Punjab and five per 1000 in the United Provinces (see *ibid.*, p. 7).

[3] Op. cit., 1, 48; bribes, however, were not included.

[4] *Jullundur S.R.*, 1917, p. 8.

rately fond of civil litigation, years of plenty offer an irresistible temptation to spend money in connection with cases which in the long run prove utterly ruinous to many of them."[1] In districts where there are great fluctuations of harvest every lawyer knows that his income will contract or expand in ratio to the quality of the harvest, which is a sign that the villager is quick to go off to the courts when he has any spare cash in his pocket. In the three years, 1922-24, the number of suits filed in the Punjab averaged over 169,000, and the number of persons brought to trial 275,545. Of the latter, 179,958 were acquitted or discharged, which shows that crime and the criminal complaint have little in common, and that to a great extent the criminal courts are but another branch of the civil.

The cost of so much litigation is obviously considerable. Mr. Calvert estimates that 2½ million persons (that is to say, over 40 per cent of the adult male population) attend the courts every year, either as parties or as witnesses, and that three or four crores are wasted in the process.[2] An Indian who is intimately acquainted with village life in the central Punjab states that the cost of a trifling case once filed in court, even if it is quickly compounded, is not less than Rs. 100. Not only have pleaders to be engaged and stamp duty and process fees to be paid, but petty officials have to be propitiated—their demands are said to have risen with the rise in prices—witnesses may have to be hired, as much to prove what is true as to establish what is false, and perhaps the support of an influential neighbour has to be gained, all of which consumes both time and money. Even if a case does not go to court, money has to be spent, as the following instance shows. A villager was returning one evening from his fields and, being obliged to stop for a moment, absent-mindedly allowed his bullocks to stray into a neighbour's crop. The neighbour appearing, there was the inevitable volley of abuse followed by blows, which however did no great harm. But blood was up and the injured party hastened to the police. There Rs. 45 had to be paid to have the case registered, as, being a petty affair, it was not one with which the police had any concern. To strengthen the case the complainant went off to the local sub-assistant surgeon to

[1] *Mianwali A.R.*, 1907, p. 25.
[2] *The Wealth and Welfare of the Punjab*, 1922, p. 206.

get a certificate that serious injuries had been inflicted, but as the damage was slight Rs. 190 had to be paid before it was given. Hearing of the certificate the other party took alarm, and began spending money to get evidence to rebut it. It was at this stage, before proceedings in court had begun, that my informant intervened and compromised the case, which ended typically in mutual apologies and a total expenditure of Rs. 409.

Returning to more official sources of information, we find that the two districts that stand first in the province for the number of suits are Amritsar and Muzaffargarh, in both of which debt is unusually heavy.[1] Amritsar, as we shall see in a moment, is one of the three most indebted districts in the Punjab, while Muzaffargarh is so seriously involved that it is dealt with at length in a later chapter. We find further that the districts that come next are Lahore and Ferozepore in the central Punjab, and Hoshiarpur and Gurdaspur in the submontane area, and that these are all districts in which debt is abnormally high. After what has been said above, it is difficult to believe that this a mere coincidence. We may, therefore, conclude that in certain districts litigation is one of the major causes of debt, and that this is the case either where, as in Hoshiarpur, the people are exceptionally litigious, or where, as in Ferozepore and Amritsar, they are exceptionally prosperous. As to the rest of the province my impression, after much enquiry, is that it is only a secondary factor.

Volume and Incidence of Debt

Before concluding this chapter we may, as before, attempt some estimate of the total debt of owners and occupancy tenants of the districts in the central Punjab. Calculating this as in the last chapter, we get the following results :—

	Lakhs
Ferozepore	700[2]
Amritsar	480
Ludhiana	348
Lahore	339
Jullundur	329
Gujrat	250
Gujranwala	96

[1] The above is based upon the figures for 1920 and 1921: in 1920, Muzaffargarh stood first; in 1921, Amritsar.

[2] For this figure see p. 49.

It will be seen that in five out of the eight districts the total debt again exceeds £2 millions, while in Ferozepore it is nearly £5 millions.

But the significance of these figures depends upon their relation to the land and the people. The simplest way to express this is to state debt in terms of land revenue, cultivation and population, and, to widen our view, the figures for the four submontane districts will be given as well. The figures for the eleven districts are as follows :—

Central Punjab	Debt's multiple of the land revenue	Debt per cultivated acre	Debt per head of the rural population
		Rs.	Rs.
Ferozepore ...	38	32	72
Amritsar ...	30	66	65
Ludhiana ...	23	49	71
Lahore ...	21	31	43
Jullundur ...	17	50	47
Gujrat ...	15	25	32
Gujranwala ...	6	11	18
Average ...	22	36	51
Submontane Area			
Sialkot ...	28	56	54
Ambala ...	24	45	56
Hoshiarpur ...	24	64	48
Gurdaspur ...	20	49	47
Average ...	24	53	51

Central and Submontane Districts compared

Of these three measures of debt the first is the best, as land revenue is everywhere assessed upon a more or less uniform basis. The second is open to the objection that the yield of land varies from district to district, and is, for instance, much greater in a fertile and highly-irrigated district like Amritsar than in Ferozepore, where there are large tracts of sandy land depending upon a scanty rainfall, and where on the average one-fifth of the cultivated area fails every year. This explains the low average per acre in Feroze-

pore, which is in marked contrast to its high multiple of land revenue. The third measure is useful for comparative purposes, but it must be remembered that it includes all classes of the rural population, whereas the figures for debt relate only to proprietors and occupancy tenants. Bearing these points in mind and the fact that in the central Punjab 19 per cent are free of debt as against only 11 per cent in the area nearer the hills, we may say that the former is slightly less indebted than the latter. The difference, however, is less remarkable than the resemblance, and for these eleven districts as a whole, which represent the heart of the Punjab, we may say that debt is twenty-three times the land revenue and averages about Rs. 50 per head of the rural population: and we may add, what indeed is a cautious estimate, that the former is equal to at least four years' rental of the land. Of the eleven districts there can be little doubt that Ferozepore, Amritsar and Sialkot are the most heavily involved. They are probably the three most indebted districts in the province, and in each of them debt certainly exceeds the value of a year's gross produce. If, as has been estimated, land revenue is 5 per cent of the latter, debt in Ferozepore is equal to nearly two years' value.[1]

Prosperity and Debt: (a) Ferozepore and Sialkot

At first sight, it is unexpected to find two districts so dissimilar as Sialkot and Ferozepore amongst the three most indebted districts in the Punjab. In the one, rainfall is high and holdings small, in the other, rainfall is low and holdings large. In Sialkot, the advantage of thirty inches of rain is neutralized by the increase of population, which leaves most people only five or six acres to cultivate.

[1] That these estimates are cautious is clear from the following figures, which are taken from the settlement reports of the districts concerned:—

		Percentage of Land Revenue to: Net Assets	Gross Produce
Ferozepore	(1915)	20	8
Amritsar	(1914)	25	9
Sialkot	(1914)	31·5	10

In regard to these figures it must be remembered, (*a*) that settlement estimates always err on the side of caution, and (*b*) that prices have risen since these settlements were made.

The main cause of debt, as was shown above,[1] is the pressure of the population upon the soil. With present methods and conditions, holdings tend to be too small for subsistence, and nine out of ten peasants are forced to the money-lender. In Ferozepore, on the other hand, land is abundant and the wide extension of canals has doubled its yield and trebled its value. The sudden acquisition of wealth, due more to good fortune than to effort, has partially demoralized the people, stimulating extravagance, dissipation and drink. The money-lender, who might have been shaken off altogether, has secured a firmer hold than ever. Values are so inflated that everyone's credit is good, and where everyone can borrow few refrain. In Sialkot, too, the rise in the price of land has made borrowing easy and encouraged extravagance, which expresses itself in much the same ways in both districts, namely, in litigation, costly weddings and in the high price of brides. But whereas in Ferozepore the cultivator borrows because he can, in Sialkot for the most part he borrows because he must.

(b) Amritsar

If in Ferozepore debt is mainly due to prosperity and in Sialkot to small holdings, why is it thirty times the land revenue in Amritsar? Holdings, it is true, are as small as in Sialkot, and this no doubt accounts for much; but, if ever debt could be light in a district of small holders, it should be so in Amritsar. Seventy-five per cent of the district is cultivated and nearly half of it irrigated. The neighbourhood of Amritsar, the commercial capital of the Punjab, provides an ideal market for every kind of produce. Land revenue is lenient and the people enterprising, and many lakhs a year are earned by emigration and military service.[2] The district is undoubtedly prosperous and, except along the Ravi, real poverty is rare. At worst we should not have expected to find more financial embarrassment than in the adjoining district of Jullundur. Actually, however, it is at least 50 per cent greater. There are several reasons for this. Irrigation in Jullundur is entirely from wells, whereas in Amritsar more than

[1] P. 39.

[2] Before the war there were 8,000 people in Government pay and 25 lakhs were disbursed annually in pay and pensions; 6,500 squares (about 170,000 acres) were also owned in different canal colonies.

half comes from canals. The difference is important. To raise water from a well costs more effort than to get it from a canal, and in a warm, even more than in a cold, climate effort is the salt of life. The man, too, who depends upon a well will tend to be more frugal than the man who depends upon a canal, for what is gained with difficulty is spent with care. The cultivator in Jullundur is, therefore, both more industrious and more frugal than he is in Amritsar. It is significant that in Amritsar, in the twenty years between the last two settlements, the number of wells did not increase, while in Jullundur in much the same period nearly 9,000 were built. Also in Amritsar, cultivation declined by 2½ per cent.[1] Moreover, if the peasant in Jullundur is more industrious and more frugal, he is also healthier than his cousin in Amritsar, for canals waterlog the soil, and nothing is more inimical to health than a waterlogged soil. In many parts of the district the water-level has risen sixteen feet in fifty years (1865-1914), and now in most of the Amritsar tehsil it is only eight or ten feet below the surface.[2] As we have seen, waterlogging, fever and debt go hand in hand. It is, therefore, no unmixed blessing that in the twenty years before the war the canal irrigated area increased by 58 per cent.[3] Here, indeed, we have much the same phenomenon that has been the undoing of Ferozepore—canals, wealth and debt following in unhappy sequence. The mischief in this case has been aggravated by the town of Amritsar, which dominates the district and taints the country round with extravagance, if not worse. If, therefore, the smallness of the holdings provides the basis of debt, it is prosperity that swells the account. The same is true of Ludhiana, and when we come to examine conditions in Lahore we shall find prosperity equally harmful. The central Punjab, in fact, affords abundant evidence that prosperity and debt are only less intimately connected than poverty and debt.

(c) Gujranwala

But, it may be asked, if this is so, how is it that in Gujranwala, an admittedly prosperous district, debt is only six times the land revenue, especially when holdings are nearly as large as those in Ferozepore and even more generally irrigated? The answer is that its

[1] S. R., 1914, p. 3. [2] *Ibid.*, p. 14. [3] From 160,000 to 255,000 acres.

prosperity is of recent date—the Upper Chenab Canal was only opened in 1912 and followed a heavy decline in the population.[1] The immediate effect of the opening of a canal is naturally to reduce debt. People who were poor find themselves rich, mortgages are redeemed and *banias'* accounts settled, all of which has happened in Gujranwala.[2] The ultimate effect, however, is the contrary, and in the case of Gujranwala and of every canal colony the guess may be hazarded that sooner or later population will neutralize the blessings of the canal. The inevitable result will then be debt. The *facilis descensus Averni* may be retarded, but it cannot be averted—unless the whole system of borrowing in the village is radically changed. What this system is and how far it can be changed we shall see later.

[1] 1901-11, the decline in the Gujranwala tehsil was 14 per cent and in Wazirabad 19 per cent.

[2] At the last settlement (1909-13), 14 to 17 per cent of the cultivated area was under mortgage in Gujranwala, Wazirabad and Sharaqpur. In 1921, the percentage for the two districts recently formed out of this area was nine for Gujranwala and only five for Sheikhupura.

CHAPTER V

THE NORTH AND SOUTH OF THE PUNJAB

Climate and Insecurity

The North

We have now disposed of the districts that form the heart and backbone of the Punjab, and in doing so three of the four basic causes of debt have been examined.

Description of the Tract

In this chapter it is proposed very briefly to deal with the two extremities of the province, north and south. In the one we shall see the small peasant proprietor valiantly keeping both nature and the money-lender at bay, and in the other we shall have occasion to discuss the last of our basic causes of debt, insecurity. The north will be described first.

The Jhelum, on the banks of which Alexander defeated Porus, forms the natural boundary between the north and the rest of the Punjab.[1] As we approach it, we are aware of a radical change in the country. The unending plain of the central Punjab gives way to a confused medley of hillock and hollow; and looking out of the train to the north-west we get our first glimpse of the gaunt outlines of the Salt Range, a rocky offshoot of the Himalayas, which 3,000 years ago sheltered the Pandavas in their exile and now produces the best salt and some of the finest soldiers in India. Forging northwards, we enter a country of stony moorlands, where sustenance must be drawn from rock, ravine and hill, and bullock and ploughman have to pick their way uneasily between boulder and stone. Vegetation is thin and trees are few. In the dog days cattle get a scanty shade under the thorny *kikar*, and in winter there are patches of young wheat as green as the emerald; but even in good years, when every available plot is sown, the country

still looks rocky and bare. In some respects, however, conditions resemble those of the tract we have left. Rawalpindi, the most important of the three districts concerned, lies as much at the foot of the Himalayas as does Hoshiarpur, and consequently has much the same rainfall, while holdings are, if anything, smaller. Similarly, at the other end of the scale, rain is as rare in the Salt Range as it is in parts of Ferozepore, and holdings are almost as large. But there are two important differences which affect the whole tract. The climate is the best in the Punjab, and the system of irrigation the worst. The one balances the other. The almost entire absence of irrigation —there is not a single canal—makes life a stern struggle with nature; but the bracing climate, due to a long cold weather and to a comparative freedom from the moist, enervating heat which is India's bane, has given the people a sturdiness and vigour of character which makes many of them more than a match for their difficulties. We have already seen that the only thing that can save the small holder from the money-lender is unflagging industry or the resource of a second string to his bow. Here we have both. Those who stay on their land work hard, and those who cannot live on it go into the army or seek their fortune abroad. It is not for nothing that the northern Punjab is famous both for the number and the quality of its soldiers. In the war, Rawalpindi and Jhelum surpassed all other districts in India, and together the three districts comprised in the tract provided 87,000 men, or one-fifth of the total number furnished by the whole province.[1]

Rawalpindi

Of the three districts Rawalpindi must first be described, as it illustrates best what has just been said. The two salient features of the district are the character of the people and the smallness of their holdings. In no tehsil does the average cultivated holding exceed four acres, and in the hill tehsil of Murree it is only two and a half.[2] In the latter, and in Kahuta, next door, there are 'few parts where the ordinary zemindar can live on his land alone'. To a large extent this is true of the districts as a whole. The

[1] Leigh, *The Punjab and the War*, p. 61.

[2] Only in three other districts, Kangra, Hoshiarpur and Jullundur, is the average less than five acres.

cultivator, therefore, is compelled either to seek the money-lender or to find some further means of subsistence. This choice, which faces the small holder all over the world, has for the most part been manfully decided in favour of the latter. In the Murree tehsil, thanks to a large hill station and to the half-dozen cantonments perched on its hills, this was easy enough. Carts can be plied up and down the Murree road, ponies and bullocks let out on hire, and milk, fruit, potatoes and fuel, the latter generally stolen, can be hawked to a host of eager buyers. In the less favoured parts of the district men emigrate or join the army. East Africa, Australia and China all know the peasant proprietor of Rawalpindi, and there is hardly a steamer sailing from Bombay which does not carry a Gujar Khan stoker on board. South of the Jhelum few zemindars will condescend to the work of a cooly, but in the north men will usually pocket their pride and, to keep out of serious debt, will turn their hand to anything. It is this mixture of necessity and enterprise that has filled the army with soldiers from Rawalpindi. For a generation the district has stood first in India for the number of its recruits, a pre-eminence that was gloriously maintained during the war, when 40 per cent of those of military age were under arms.

Rawalpindi and Jhelum

In all this there is doubtless nothing new. Both in Hoshiarpur and in Jullundur, there were the same necessity and enterprise urging men into the army and out into the world beyond. If we draw attention to them again, it is because there is no district in the province, perhaps even in India, where necessity and enterprise are more closely allied than in Rawalpindi, and where their effect upon debt is more marked. This is shown by the following figures, which include the district of Jhelum, where on the whole conditions are similar :—

District	No. of proprietors	Percentage entirely free of debt	Average debt per *indebted* proprietor	Debt's multiple of land revenue
			Rs.	
Rawalpindi ...	1,711	24	171	9
Jhelum ...	1,625	30	345	10

It will be seen that average debt in Rawalpindi is only Rs. 171, that total debt is no more than nine times the land revenue, and that 24 per cent have no debt at all. Compare this with the submontane area, where only 11 per cent are free of debt, and with the central Punjab, where deht is twenty-two times the land revenue. Excluding districts with canal colonies, where conditions are unusually favourable, Rawalpindi would appear to be the least indebted district in the province: nowhere else is debt less than ten times the land revenue or average debt below Rs. 200. It would be pleasant to suppose that this comparative immunity was in any way due to good farming; but it must be regretfully admitted that this is not the case. It is unfortunately a fact that in a country with a low standard of living and a vicious system of credit, good cultivation is not necessarily a protection against debt. On the contrary, in so far as it adds to the value of the land, it makes borrowing easier, and even if this temptation is resisted, sooner or later the increase in production is swallowed up in an increase of population. Enterprise, on the other hand, is a surer safeguard, for while there is an obvious limit to what may be gained from the soil, there is no such limit to what may be gained by men of resource who are prepared to seek their fortune abroad. The importance of this will be evident when we come to deal with the western Punjab, where the position of the small holder is desperate for lack of the very enterprise that is the saving of the north.

Importance of Enterprise

A point to be noted in connection with the district is that all through the assessment reports runs the refrain that life is hard. It is evidently much harder than life in Hoshiarpur and Jullundur: many, for example, cannot afford bullocks and have to plough with donkeys instead. That in the circumstances debt should be low suggests that it is not the poorest districts that are most indebted. If true, this is a fact of considerable importance, for it means that a large volume of debt is not necessarily a sign of poverty. In a later chapter (XII) we shall see that it is rather a sign of prosperity, and we have already had an indication of this in the exceptionally heavy debt disclosed by the two prosperous districts of Amritsar and Ferozepore.

Poverty and Debt

Even Rawalpindi affords a small but significant example of this, for it is only in the neighbourhood of the town that gives the district its name that debt is said to be heavy, and conditions are easier there than anywhere else in the district. With its 100,000 inhabitants, its cantonment and its arsenal, its railway workshops, its stores and its factories, the city affords a splendid market for both labour and produce. But, unfortunately, like Lahore and Amritsar, it infects the neighbourhood with extravagance, and, by raising the value of the surrounding land, makes borrowing a matter of ease.

Figures for the whole Tract

As before, it will be as well to check my figures for debt by those of the official enquiry. Treating the latter as usual, we get the following results :—

TOTAL DEBT (PROPRIETORS AND OCCUPANCY TENANTS ONLY)[1]

District	In lakhs	As a multiple of the land revenue	Per cultivated acre	Per head of the rural population
			Rs.	Rs.
Rawalpindi ...	57	8	10	12
Jhelum ...	96	13	14	22
Attock ...	121	18	12	25
Average ...	...	13	12	20

These figures generally confirm what has been said above, and we have only to turn back to page 77 to see how much lighter debt is in Rawalpindi and Jhelum than in the central Punjab. Attock, on the other hand, is heavily indebted. The reasons for this must be found in the peculiar conditions of the district.

Girt with hills and cradling the Indus, this rugged district helps to divide the Punjab from the Frontier, and marks almost the verge of civilization. Though the peasant proprietor is still in evidence, he is dominated by the landlord, who, with comparatively few exceptions, is nothing but a rent-receiver, doing

A Primitive District

[1] In this case to obtain total debt, the official figures for mortgage debt have been doubled. This estimate errs, if anything, on the side of caution, as the figures for my enquiry suggest that net mortgage debt is only 40 per cent of the whole : cf. p. 38.

little for his tenants and often leaving them to the mercy of not too scrupulous agents. Even when a man has obtained land of his own, he is not much better off, as he is usually caught by the money-lender. In the past the latter has had it all his own way, as is always the case where communications are bad, markets few, and rainfall uncertain. The district is fundamentally insecure. In 1920-21, in one tehsil (Talagang), only seven per cent of the area sown matured and not enough grain was obtained even for seed, still less for food. Seventy-three thousand maunds of food grains had to be imported, and wheat rose to ten or eleven rupees a maund.[1] 'Plough cattle seem to have disappeared altogether,' wrote the deputy commissioner after touring through the tract: 'I have seen the fields ploughed with donkeys and calves and with camels, but hardly ever with a pair of oxen, and wherever I go, I have seen large tracts of land perfectly fit for ploughing which the people have not been able to touch.'[2] The situation was relieved by generous advances of Government money at a low rate of interest. It is characteristic of the district that the money-lender's rate is 'at least 25 per cent . . . and in many cases 37½'.[3] The effect of this upon the cultivator may be gauged from the fact that the late settlement officer estimates that in Talagang, in the fifteen years ending 1923, an owner of fourteen acres (the average holding in the tehsil) with a wife and two children, aged 12 and 5, would have had an average surplus of only Rs. 18 per annum, out of which clothing and all miscellaneous expenses, including any expenditure upon a marriage or funeral, would have had to be defrayed.[4] As the settlement officer says, a debt of Rs. 200 at 25 per cent would have completely wiped out the surplus. The only way to avoid debt under these circumstances is to go off and find work elsewhere, and this is what is done by thousands every year except when there is a bumper harvest. Talagang is a good instance of the difficulty of determining what is an economic holding, for fourteen acres are barely sufficient to support a family, whereas in the neighbouring area of the Chhachh, which will shortly be described, an acre or two suffice. The tehsil is in fact over-populated, and where

[1] *Talagang A. R.*, 1925, p. 10.
[2] *Ibid.*, p. 14.
[3] *Ibid.*, p. 15.
[4] *Ibid.*, p. 16.

over-population and insecurity are combined, debt is inevitable. A complicating factor is the primitive character of the people, which, as we shall see later,[1] the money-lender freely turns to his advantage.

How primitive this character is, the following incident shows. Recently, during a long break in the monsoon when men were beginning to be anxious about their crops, an Indian official of standing chanced to visit a certain townlet on tour. Hearing of his arrival, the women came out with their drums and begged to be allowed to souse him with water, explaining that this rite, performed upon a person of unimpeachable 'virtue', must infallibly bring rain. For two days the official held out, but on the third, the skies still being clear, the women became desperate and threatened to perform the rite in his court. Bowing to necessity, he stripped to the waist and allowed twenty waterpots to be emptied over him in the verandah of the dak bungalow where he was staying. Then followed a period of considerable anxiety; was his 'virtue' as potent as was supposed? Happily, within 24 hours came a torrential downpour, and his reputation was saved.[2] This trifling incident is further proof that superstition is still a factor to be reckoned with in the village life of the province. We saw how in Rohtak and Hoshiarpur magic is sometimes preferred to inoculation.[3] In the former, to chew a peacock's feather is still regarded as a sufficient remedy for the bite of a cobra.[4] In the south-west, certain Sheikhs in the Dera Ghazi Khan district are paid a regular tithe for their prayers for rain or the reverse, as the case may be; and what is more, they are tied up till the prayers are said. Amongst the Balochis in the same district, women are occasionally lined up and beaten with shoes in the h[illegible]at their cries will draw answering tears from heaven. I[illegible]ch the same idea that in Attock makes men, women and children collect together and fling a pot-full of water and filth into the house of the most quarrelsome person in the village, in the hope that the violent quarrel which ensues will draw the attention of God to their plight.[5]

[1] P. 220.
[2] My informant was the victim himself.
[3] P. 32.
[4] *Rohtak Gaz.*, 1910, p. 57.
[5] *Attock Gaz.*, 1907, p. 108.

The Chhachh

Yet, even in the heart of this primitive district—so full of contrast is Indian life—is the small fertile plain of the Chhachh, twenty miles long and not ten miles broad, locked in by the hills and the Indus, and containing a population of Pathans, Maliars and Awans as industrious and enterprising as any in the Punjab. It recalls the richest and most intensively cultivated strip in Europe, the country along the Bay of Naples, where a family can be maintained on 2½ acres.[1] The soil is a rich loam deposited by hill torrents and is abundantly watered by wells.[2] Wheat, maize, sugar-cane, vegetables and tobacco are the chief crops, and snuff tobacco the most valuable. Where this can be grown, a rent of Rs. 120 an acre is common and a rent of Rs. 180 not unknown.[3] So good is the farming that the average yield of 100 acres of land is 188 acres of crops, and, where special crops are grown, from 1 to 1½ acres is considered all that a man can possibly cultivate.[4] The late settlement officer describes how he found a family consisting of an old man, a grown-up son, two women, three small children, a buffalo and a donkey subsisting on less than half an acre.[5] The old man who was only an occupancy tenant (fortunately at a low rent), did most of the tilling, using the buffalo for the well and the plough, while his son used the donkey for carrying the vegetables to Campbellpur and Rawalpindi, the latter thirty or forty miles away. In another village, a Maliar, a caste that rivals the Arain in the cultivation of specialized crops, was found supporting a wife and four small children on three-quarters of an acre, though half of everything produced, vegetables, maize and tobacco, had to be given to the landlord. These instances are even more remarkable than the c[illegible] the Mahton described on p. 47 and show what can be a[illegible] when labour, capital and skill are properly combined. So far as skill goes, it may be doubted whether the peasant of the Chhachh has anything to learn even from a Royal Commission. He ploughs his land ten or twelve times for wheat,

[1] Where there is garden cultivation, holdings on the Bay of Naples run from 1¼ to 2½ acres and rarely exceed this (*Inchiesta Parlamentare*, o[illegible]t., iv (1), 75).

[2] There are 1,954 wells for 10,000 acres of well-irrigated land (*Attock A.R.*, 1925, p. 2).

[3] *Ibid.*, pp. 36, 47.

[4] *Ibid.*, p. 19.

[5] The exact area was 3½ kanals (0·44 acre).

and, like the Neapolitan peasant, manures it heavily for everything else, while his system of cropping produces nearly two acres of crops out of one acre of land. The importance of capital is seen in the amount spent upon manure, which, so far as special crops are concerned, runs from Rs. 100 an acre for vegetables to Rs. 270 for snuff.[1] In the Chhachh the first principle of good farming is well understood, that what a man gets out of his land depends upon what he puts into it. In the case of snuff he puts into it so much that he gets out of it over Rs. 500 an acre gross.[2]

Even in its disadvantages the Chhachh resembles the shores of the Bay of Naples, for in both fragmentation is acute. In the Chhachh, owing to the variety of the soil and the quarrelsome nature of the Pathan, the land is often divided into strips, which are sometimes half a mile long and only twenty or thirty yards wide, and each strip has a large number of shareholders. 'In many villages,' says the settlement officer, 'with an area of less than a square mile the zemindar has to go an average of two miles to his fields as against three furlongs or less, which would be the distance if the village had been laid out more scientifically.'[3] On the Bay of Naples, fragmentation takes a more conventional form, but in both areas holdings are smaller than anywhere else in the country and in many cases a mere fraction of an acre. In both, therefore, people have to emigrate or find some supplementary means of subsistence. In the Chhachh, the owner is at a disadvantage compared with the tenant, for he considers it derogatory to work as a cooly and is apt to turn to the money-lender for help, while the tenant goes off to work on the canals or in the cantonments of Peshawar and Kohat. To the enterprising, however, cooly labour is not the only opening. Carts may be plied up and down the Kashmir road, or a loan taken (at 25 per cent) to buy cattle at one of the great cattle fairs of Amritsar. After one of these fairs, the Grand Trunk Road will be blocked for miles with droves of cattle wending their slow and disorderly way northward to be sold to the cultivator of Rawalpindi and Attock or to the meat-loving Pathans across the Indus. If there is more than one bread-winner—here again the parallel with Naples is close—one

[1] *Attock A. R.*, 1925, p. 87. [2] *Ibid.*, p. 48. [3] *Ibid.*, p. 18.

will emigrate to China, Australia, Cape Colony, East Africa or New Zealand; or, like the men of Gujar Khan, take service on board some steamer sailing from Karachi or Bombay. Though most of these emigrants are illiterate, they can usually earn Rs. 500 a year abroad, and on their return home are able to build *pukka* houses, buy better clothes, add butter and meat to their frugal diet, and find the capital required for the cultivation of snuff. Their chief extravagance is the funeral feast. Upon this they spare no expense and the whole village, whatever its size, is entertained: but this matters little, for, if debt results, a trip abroad soon clears it off.

The Chhachh, however, is but a small oasis in a district that is radically insecure; and it is this insecurity with its consequent thriftlessness that accounts for Attock being more indebted than Rawalpindi. This will be clearer from what follows.

The Southern Punjab

Description of the Tract

Passing now to the other end of the province south of the Sutlej, we enter a country which is the watershed of the Bay of Bengal and the Indian Ocean, and the true frontier of Hindustan. The language is no longer Punjabi, and the features of the people are less definitely Aryan. The cultivators are generally Hindu, and even the Muhammadan is half Hindu in mind and rite. The very appearance of the country is different. Wells and trees give place to sand and scrub. The villages are twice as large (no doubt because water is scarce) and each has a tank, along the banks of which struts the sacred peacock. Everywhere is seen the camel, sometimes even at the plough, and antelope and gazelle abound. Only administratively can the tract be said to be part of the Punjab. On the east, it is much more akin to the United Provinces, from which it is divided by the Jumna, and on the west to Bikaner, which stretches away in limitless waste almost to the shores of the sea. In the south, the dry scrub-covered hills of the Aravalli point the way to the fastnesses of Rajputana, and not far away in desolate grandeur rises the imperial city of Delhi. It is a tract full of history—no field of battle has been more fateful than that of Panipat—but in India the exploits of man count for little beside the operations of nature, and when battles are forgotten the memory of famine remains.

For centuries famine has dominated the tract, stamping itself on the life and even upon the speech of the people. Of the four districts with which we are concerned, Karnal is the only one that enjoys an ample rainfall. The other three are thankful if they get the ten or twenty inches a year that meteorologists say is their due. I remember a year in Hissar when we had less than four inches, and a man could ride for fifty miles and see nothing greener than the poisonous *akk*. Men still talk of the great *Chalisa* famine of 1783, which, like the recent famine on the Volga, swept away whole villages. 'The shopkeeper hid in his house and the child wept over its meals,' is a popular saying of a famine fifty years later. 'Two only,' it was said, 'have survived, the trader and the butcher, the one by using his scales, the other by using his knife.' Never is the butcher busier than when the rain fails, as anyone knows who has seen village after village strewn with the bones and carcases of starving cattle slaughtered for their hides. At such a time fodder is so scarce, that any bit of scrub that cattle will eat is guarded as jealously as if it were a valuable crop of sugar-cane. Every tree, too, is lopped to the bark, and there is no more desolating sight than the long roadside avenues raising flayed, twisted arms to a bare pitiless sky. After a bad famine there are villages where not a cow, buffalo or calf is to be seen. In 1869, 300,000 cattle perished in the single district of Hissar,[1] and a few years later Rohtak lost 37 per cent of its stock. 'An ox,' it was said, 'sold for a piece of bread, and a camel for a farthing. The carts, too, were idle, for the oxen were dead, and the bride went to the bridegroom's house with rites half done.' Nor does famine come only once or twice in a generation. Not long ago in Rohtak there were three in a decade (1896-1905). 'In the first year stores were exhausted; in the second seed would not germinate; in the third there was no money left for a wedding; in the fourth everything went. The fifth started well, but cholera came, and belly and mouth were emptied.'[2] But things are no longer as bad as they were. If English rule has achieved nothing else, it has at least laid the spectres of famine and war. In

Famine

[1] In 1866 England was ravaged by rinderpest: yet in the whole country the total loss of cattle was only 209,332 (Curtler, op. cit., p. 289).

[2] For this and the other sayings quoted, see the *Rohtak Gazetteer*.

this tract, thanks to the Western Jumna Canal, famine no longer finds the people entirely at its mercy; and where the sacred waters of the Jumna cannot penetrate, the railway brings relief. Food can be poured in from more prosperous areas, and, if there is no money to give in exchange, it can be earned on relief works; or, at the cost of a modest ticket, work can be sought in towns where labour is always in demand. Man at least need no longer starve. The problem now is to save his beast.

The Bumper Harvest

It must not, however, be supposed that all years are lean and that life contains little but famine and drought. As everywhere else, sooner or later comes the bumper harvest, and here its effects are more lasting than in many more favoured districts. This is due to the fact that by a merciful provision of nature population is not excessive. In Sirsa (Hissar), which is perhaps the most insecure tehsil in the province, there are only 135 people to the cultivated square mile. Compare this with the tehsil of Hoshiarpur, where there are 960, or with Jullundur tehsil where there are 851. Taking matured area alone, Rohtak and Hissar have both a density of less than 500 (the provincial average is 513), and in Hissar the density (306) is lower than anywhere else. This, of course, means large holdings, so much so that in Sirsa the average cultivated holding is sixty acres, a figure that is only exceeded in the adjoining tehsil of Fazilka (Ferozepore). The result of this is that a good harvest is followed by an immense export, the outward and visible signs of which are endless strings of camels passing in and out of the local *mandis*,[1] and goods stations congested with well-piled bags of grain. This is a pleasant contrast to the conditions described in the last paragraph, and in a district like Hissar, where 84 per cent of the crops depend entirely upon rain, it is a contrast that has to be seen to be fully realized. The traveller from Rewari to Bhatinda in a year of drought will see hardly a green thing for 200 miles and be half suffocated by the dust and sand of what appears an eternal desert. Yet a year later he may find this same desert converted into an almost unbroken stretch of green, and the dust and sand of a few months back turned into rich

[1] Grain markets.

fields of gram,[1] barley and wheat. After such a harvest, whatever happens, there need be no anxious thought for the morrow for at least a year, and it is only if the next two harvests fail that trouble begins again. There are, therefore, two sides to the picture, and both must be kept in view if we are to form an accurate estimate of the economic conditions of the tract.

The People

On the whole, however, hardship prevails, for the bumper harvest cannot be expected more than once in five years, and before it comes, three or four harvests may fail in succession. The shadow of drought is always present, and life is more a struggle with nature than an enjoyment of her bounty. This struggle is reflected in the character of the Jat, who, as in the central Punjab, is the predominant tribe of the tract. Nowhere is he more unflagging in his industry or tougher in his endurance. 'From the time he is old enough to wear a piece of string round his middle and drive the cattle to the field, until he is too old to do more than sit in the sunshine and weave a hemp rope, his life,' says the last settlement officer, 'is one of unceasing toil, borne patiently and without complaint.'[2] The Jat's power of weathering a storm is extraordinary, but this is not the case with every tribe, for, as the same writer says, 'the first breath of the storm that bends the Jat breaks the Rajput'. The Meos, too, of Gurgaon are notoriously lazy and thriftless. The Ahirs, on the other hand, in the same district surpass even the Jats in industry, frugality and skill. One explanation of these violent contrasts in character is that adversity either strengthens or weakens. The Ahir and the Jat are instances of the one, the Meo and the Rajput of the other.

One more characteristic of the people must be noted. They lack the spirit of enterprise which marks the Punjabi further north. In Rohtak, it is true, soldiering is almost as popular as in Rawalpindi and Jhelum, but elsewhere there is marked reluctance to leave the village, and it requires the irresistible pressure of drought to drive most people no further afield than the canal colonies. This, no doubt, is due to a combination of primitive conditions and poor communications. We shall find the same characteristic in the even more primitive west, and in both areas it is a serious handicap to the peasant proprietor.

[2] *Rohtak Tehsil A.R.*

Extent of Debt

The general features of the tract have now been described, and it is evident that it differs materially both from the north and the centre of the province. In Rohtak, Gurgaon and Hissar drought is far more overwhelming than in the centre, and everywhere men are less enterprising than in the north. We should, therefore, expect debt to be higher than in both areas. This, however, is only partially the case, as the following figures show :—

District	No. of proprietors	Percentage entirely free of debt	Average debt per *indebted* proprietor	Debt's multiple of land revenue
			Rs.	
Rohtak ...	4,077	23	472	17
Karnal ...	2,168	6	346	18

It will be seen that debt in Rohtak and Karnal is seventeen to eighteen times the land revenue, which is much the same as in Attock,[1] a district which, with its primitive conditions and general insecurity, is not unlike those in this area. The point is not without importance, as we shall see in a moment. No figures are given for Gurgaon and Hissar, for, at the time that my enquiry was made, there were few if any co-operative societies in the former, and none in four out of the five tehsils of the latter. Fortunately, however, we have the figures of the official enquiry. Treating the latter precisely as was done in the case of the north, we get the following results :—

TOTAL DEBT (PROPRIETORS AND OCCUPANCY TENANTS ONLY)[2]

District	In lakhs	As a multiple of land revenue	Per cultivated acre	Per head of the rural population
			Rs.	Rs.
Gurgaon ...	300	19	30	48
Rohtak ...	274	17	25	39
Hissar ...	157	15	6	22
Karnal ...	143	11	14	19
Average ...	...	15	15	31

[1] See p. 86.

[2] As in the case of the northern districts, to obtain total debt from the official enquiry, mortgage debt has been assumed to be 50 per cent of the whole. My enquiry, however, for net mortgage debt, gave a percentage of only 29. It is doubtful, therefore, whether the actual percentage can be higher than 40. In that case, total debt will be 25 per cent higher than the figures given above.

The first point to notice is that, so far as Rohtak is concerned, the two enquiries agree. In both cases debt is seventeen times the land revenue. On the other hand, in Karnal there is divergence, the official enquiry for the first time giving the lower multiple of the two. If this is correct, which may perhaps be doubted,[1] it merely serves to emphasize the fact that conditions in Karnal are much more favourable than in the other three districts. Enjoying an ample rainfall and tolerably well protected by canal and well, it is far more secure than its less fortunate neighbours, and, though it belongs geographically to the tract, its economic position is radically different. Accordingly, to avoid possible confusion, I propose to exclude it from further consideration. In the remaining three districts debt varies between fifteen and nineteen times the land revenue. This is much higher than in Rawalpindi and Jhelum, but it is much the same as in Attock. The latter is not a mere coincidence. All four districts have one thing in common—great insecurity of harvest;[2] and where this is the case, debt is almost invariably high.[3]

Insecurity of Harvest

Insecurity of harvest is the dominant feature of the tract, and in a sense it may be said to be the dominant feature of India itself. There is no other great country in the world, except China, where agriculture is almost entirely dependent upon a single phenomenon of nature. As everyone knows, the Indian harvest

[1] The reason for doubting it is that a multiple of 11 is unusually low, and such general enquiries as I have been able to make suggest that debt in Karnal is considerable. If, however, the multiple is correct, it is probably due to a great increase in cultivation (12 per cent between the last two settlements) coinciding with a fall of nearly 10 per cent in the population between 1901 and 1911.

[2]

		Irrigated area (percentage of cultivated area)	Rainfall
Karnal ...	...	36	30
Rohtak ...	...	27	20
Gurgaon ...	...	17	25
Hissar ...	...	16	16
Attock ...	...	9	20

(See *Census of India*, 1921, xv, 34.)

[3] Jhelum appears to be an exception, due probably to its love of soldiering, which provides it with a second string to its bow.

is a gamble on the monsoon, and the monsoon has all the caprice of the proverbial Eastern potentate. More than anything else this element differentiates agriculture in India from agriculture in the West, and when the two are compared the fact should not be forgotten. No business—and agriculture is the main business of India—can thrive when conditions are insecure. Europe has re-discovered this fact to her cost after the war, and in the Punjab the riverain areas described in the last chapter are a case in point. Their motto, 'Rich to-day, a beggar to-morrow', might almost be applied to a good part of the south; and, indeed, it is only where cultivation is protected by canal or well that this is not the case. Elsewhere, insecurity dominates everything and profoundly affects the life of the people. Evidence of this may be cited from all parts of the Punjab. In Jhelum, in 1921, the drought was so bad that some villages were almost emptied of their inhabitants, and between 15 and 20 per cent of the rural population left the district in search of labour and food.[1] From Attock, further north, cattle were taken to the Chenab, nearly 200 miles to the south; while, at the other end of the province, in Sirsa, the failure of five out of six harvests (1919-21) reduced cattle by 40 per cent.[2] The dearth of fodder was so great that wheat straw, usually eight annas a maund, sold at four rupees. Even the submontane districts with their abundant rainfall are not entirely secure, as is shown by the following note taken from the inspection book of a village bank in Gurdaspur. 'Scarcity of fodder,' the inspector wrote, 'is deeply affecting the condition of members. They lost heavily in the death of cattle last winter. Four were deprived of their total cattle heads: but one bullock was left to pull their ploughs. Untimely rains in October last prevented any sowing of wheat. Lands, being low, stood under water till the sowing season was over.' This is the other side of the monsoon. It may bring drought or flood. Every year in some part of India there is one or the other, and for cattle the only difference lies between a violent and a lingering death.

Where these visitations constantly occur there can be no

[1] The deputy commissioner estimates that from 70,000 to 100,000 left the district.

[2] Settlement officer's estimate.

escape from debt. In Mianwali there is an expressive saying: 'The crop was sown for food, but it has eaten me up', meaning that the net result of the year was a debt for seed that never matured.

Its Effect upon Debt

In Gurgaon, mainly as the result of famine, the area under mortgage once rose in eighteen months from 6 to 10½ per cent of the district.[1] In Attock the Awans, one of the most important tribes in the district, are described as being neither lazy nor extravagant, but simply unfortunate. 'They are in debt because no peasant proprietary can expect to keep out of debt in a tract where good years are few and bad years many, where there are no extraneous sources of income, and where the cattle and the children have to be fed in good and bad years alike.'[2] Word for word, this might be applied to the large unirrigated tracts of Gurgaon and Hissar. In these districts extraneous sources of income are few, and not more than one good year can be expected in a cycle of five, and probably two will be bad. And what a bad year means may be gathered from the following case, the facts of which were obtained from the owner himself, a Government official. Every year he requires 100 maunds of grain to feed household and cattle. In 1921 his twenty-two acres produced only forty-five maunds, and the balance had to be bought at eight or ten rupees a maund. The fodder supply, too, was exhausted by November, and Rs. 250 had to be spent in keeping his buffalo, cow and two bullocks alive till the following harvest. In all seven or eight hundred rupees had to be found to pull everyone through. And this was for one year alone. There is nothing exceptional about this case, except that the owner, being a Government official, was not entirely dependent upon his land. But for this a large loan would have been inevitable, and no doubt that is what happens in nine cases out of ten. In this way the prolonged drought of 1920 and 1921 greatly increased the burden of debt and was one reason why in many districts the rates of interest almost doubled. But for the large sums of unspent pay brought back from the war by a host of demobilized soldiers, some parts of the Punjab would have been in the

[1] *Gurgaon Gaz.*, 1910, p. 104. In the 30 years, 1879–1909, owing to a cycle of famines, the mortgaged area in Rohtak more than doubled (*S.R.*, 1910).
[2] *Attock Gaz.*, p. 67.

worst possible case. In Sirsa, for instance, many ex-soldiers paid their way for a time by pawning or selling the jewellery bought on their return home before the drought began; and it is said that, when it was at its worst, Rs. 20,000 worth of necklaces, bangles and the like came daily into the Sirsa bazaars for pawn or sale.

Its Effect upon Credit—the Southern and Central Punjab Compared

In a highly irrigated province like the Punjab, two sides of which border on the desert, great insecurity is mainly confined to the outlying districts. The central Punjab is sufficiently protected by canal and well from the worst effects of drought, and in districts like Ludhiana and Jullundur the industrious and thrifty can keep clear of serious debt.[1] It is curious then to find, as the following figures show, that debt is heavier in the centre than in the south of the province :—

	Debt's multiple of the land revenue	Debt per cultivated acre	Debt per head of the rural population
		Rs.	Rs.
Central Punjab (7 districts)[2]...	22	36	51
Southern Punjab (4 ,,) ...	15	15	31

Three measures of incidence are given, and whichever we take the result is much the same. It is true that something *must be discounted in the case of debt per cultivated acre*, as over half the cultivated area in the central districts is irrigated, against barely a quarter in the southern. But even allowing for this, it is clear that the incidence per acre is heavier in the former than in the latter; and broadly it may be stated that debt is 50 per cent heavier between the Jhelum and the Sutlej than between Bikaner and the Jumna.

At first sight we should have expected the contrary. In the south the people are more backward, communications and markets comparatively undeveloped, and harvests insecure. Paradoxical as it sounds, it is this very insecurity that accounts for the

[1] In Ludhiana it has been found that a series of bad harvests has little effect upon the area under mortgage (*Jagraon A.R.*, 1910, p. 11).
[2] See p. 77.

difference. And here we must distinguish between the causes that make a man borrow and those which enable him to do so, between those which drive a borrower to the money-lender and those which take the money-lender to the borrower. So far we have dealt entirely with the former, as they are the primary causes of debt. The latter, however, are only less important as they determine its volume. They will be discussed later, and for the present it is sufficient to say that the ordinary peasant proprietor borrows not as he needs but as he can, and that therefore the greater his security the larger his debt. Now there is no comparison between the security offered by the rich irrigated land of a district like Amritsar and the undulating sand-dunes of Sirsa. In the one case the land often fetches Rs. 500 an acre, in the other barely fifty. In the one, too, as often as not, there will be two harvests a year, in the other two years with no harvest at all. Can we wonder, then, that in Amritsar the money-lender almost woos the cultivator for his custom, and that in Sirsa and in every unprotected tract he is often deaf to all entreaty? In 1921, many found that their credit was exhausted and that they could borrow no more. It is true, of course, that while land in Amritsar is ten times as valuable as land in Sirsa, holdings in the latter are ten times as large, and that, therefore, so far as security is concerned, there should not be much to choose between the landlord of the one and the peasant proprietor of the other. But even so, less can be borrowed in Sirsa than in Amritsar, as the money-lender naturally lends with caution when for two or three years he may not get even a cowrie of interest; and if harvest after harvest fails, there comes a time when there is nothing left to advance. This is what happened in Sirsa in 1921. Money-lending came to a partial standstill, because money as well as credit was exhausted. In a district like Amritsar this is impossible, for harvests follow each other so fast that money-bags empty and fill like buckets in a well. In one respect Sirsa is peculiar, for, as noted above, its holdings are larger than almost anywhere else in the Punjab. If, in spite of this, credit is contracted, things will be worse in districts like Gurgaon and Rohtak, where the average holding is ten acres or less. Rohtak is a very good example of the tendency, for one of its four tehsils, Jhajjar, is almost as insecure as Sirsa, and another, Gohana, is heavily irrigated. The one

is undoubtedly poor, the other obviously rich. Yet in Jhajjar debt is only nine times the land revenue, while in Gohana the multiple is fourteen. In Rohtak tehsil, which is also well irrigated, it is actually twenty-two.[1] As in Amritsar and in Ferozepore, the canal has enormously increased the value of the land, and made borrowing the easiest thing in the world for a type of man who is accustomed to meet every want with a loan. 'Over and over again,' writes the settlement officer of Gohana, 'the richest and the best irrigated villages will be found to be the most heavily indebted.'[2] If, then, insecurity of harvest is a basic cause of debt, by restricting credit it also tends to keep it within reasonable bounds.

Its Effect upon Thrift

In another way, too, insecurity restricts debt. The dire necessities of famine will teach a man thrift quicker than anything else. Once he has seen his cattle die and the village deserted for lack of food, he will think twice before he squanders the plenty of a good harvest. In Sirsa, where only 5 per cent of the cultivated area is irrigated and where on the average 19 per cent of the crops fail, no one except those who live along the Ghaggar will store less than a year's supply of grain, and all who can, store twice and even thrice this amount. Similarly, throughout Hissar, all along the edge of the Bikaner border, and in Rewari, on the edge of Rajputana, fodder will be stacked for years. The same is true of Jhajjar, and it is another reason why that tehsil is less indebted than Gohana. In the former the cultivator, forced to depend upon himself, eats little but millet or barley and is always at work, and when, owing to drought, there is no work to be done, he goes off with his cart to Meerut and Delhi. On the other hand, in Gohana he depends upon the canal, and, if he gets into difficulties, he goes to the moneylender, who is only too glad to lend on the security of valuable irrigated land.

Meo and Ahir

In even greater contrast are the Ahirs and Meos of Gurgaon. The Ahirs are as industrious and frugal, and the Meos as careless and thriftless, a set of cultivators as can be found in the province. Again, a reason is

[1] Percentage of total area, irrigated: Gohana, 37·4; Rohtak, 28·6; Jhajjar, 0.

[2] *Gohana A. R.*, 1907, p. 12.

that the former have to depend entirely upon themselves, while the latter are favoured by nature. 'The sandy soil of Rewari,' says the local *Gazetteer* (p. 102), 'produces enough to keep the thrifty Ahirs in comfort, while the comparatively rich soil of the Firozpur valley is heavily mortgaged to meet the extravagance of the thriftless Meos.' Living on the borders of Rajputana, where everything is as dry as a bone, the Ahirs, by unremitting toil and great frugality, have wrested from the soil enough to keep themselves and their lands from debt. But the Meos, 'without the excuse of a barren soil, live so closely to their income, are so negligent in developing the resources of their land, and indulge in such unwarranted expenditure, that the failure of one harvest plunges them inevitably into debt' (p. 100). 'How to characterize them as cultivators I hardly know,' exclaims a former deputy commissioner of Gurgaon; and even now, though co-operation is planted amongst them, almost every Meo is still in the hands of the money-lender. There are consequently few parts of the province where the latter is more powerful, and where all the old-fashioned devices of the village usurer show less sign of decay. Habitually charging from 50 to 75 per cent and swooping down upon the threshing floor after each harvest, the money-lender carries off all but the bare means of subsistence. It is quite possible that less has been advanced to the Meo than to the Ahir, but, with compound interest ever piling up unpaid debt, the Meo's burden is infinitely greater, and in the two tehsils where they predominate (Nuh and Firozpur) debt is thirty times the land revenue, while in Rewari, the country of the Ahirs, the multiple is only six. Much of this debt, no doubt, will never be repaid, but the money-lender's *quid pro quo* is that, without the trouble of ownership, he enjoys all the fruits of the land.

But the contrast between Meo and Ahir is too great to be explained by the single reason that the former has been blessed by nature and the latter cursed. The difference goes deeper than that. Allied in race to the aboriginal Meenas of Rajputana, they have not inherited the qualities developed by the Ahir in his long, patient struggle with the sands of Rewari. The restless life of the camp and the jungle has always appealed to them more than the settled life of the farm and the village; and in the days of the Moghul the constant feuds of their different clans and the proximity of Delhi, with its crowd of adventurers

and demand for soldiers, did nothing to mitigate their lawless instincts. Forgetting, too, their humble origin, they modelled themselves upon the Rajput instead of the Jat. The Jat could at least have taught them to cultivate, but the Rajput with his extravagant ways and contempt for the plough, merely confirmed them in inherited habit. Such blessings, therefore, as nature has given them, instead of being an advantage, have only served to make them attractive to the money-lender who now has the whole tribe in fee. Far better would it have been, both for them and the soil, had they been compelled like the Ahirs to work hard for their living; for in a hot climate some powerful stimulus is needed to make men work, and it is often where conditions are hardest that men do best, a tendency that is reflected in the local saying, that the more land a man has, the less it produces.

Summary

To sum up, two main facts emerge from this chapter. The first is now familiar: the peasant proprietor, however small his holding, can only keep out of serious debt if he is unflagging in industry or has some subsidiary means of subsistence, which in the Punjab means service as soldier, carter or cooly, or emigration abroad. This conclusion, to which we had already been led in considering Hoshiarpur and Jullundur, is clinched by the example of the peasants of Rawalpindi, the Pathans of the Chhachh and the Ahirs of Gurgaon. The second is that, where insecurity is great, debt will almost always be heavy. Two things, however, tend to keep it in check: thrift and the contraction of credit. Both are due to the recurrence of famine, for the cultivator learns from bitter experience that if he does not store what he can in a good year, his cattle at least will die in a bad; and the money-lender knows that, when three or four harvests may fail in succession, money must be lent with caution. The contrary tendency is seen in the irrigated areas of the tract, where, so far as debt is concerned, inflation of credit may he more of a danger than insecurity. In parts of Rohtak and Gurgaon, this inflation is probably the most important cause of debt. Throughout the south, too, though not in the north, expenditure upon marriages is almost as great as in the central Punjab; and upon funerals it is greater. Amongst the Bagri Jats of Hissar, nothing is thought of spending several thousand rupees in this way.

But, though other causes are at work, the root cause of debt is insecurity. In the tract which we are about to enter this is also the case, but with a subtle difference. In the south, insecurity is more allied to famine than to plenty; in the west, it is the other way round. In both, the harvest is a gamble in rain, but in the south the gambler loses more often than he wins, while in the west, aided by the canal, he wins more often than he loses. This condition, as we shall see, is the more demoralizing of the two, for the reaction of the former is thrift and of the latter improvidence.

CHAPTER VI

THE WESTERN PUNJAB

The Peasant Proprietor *in Extremis*

Description of the Tract

Crossing now to the west of the province, we enter a region that is so distinct from the rest of the Punjab, and for the most part so deeply involved, that it requires a chapter to itself. It includes four districts, three of which, Mianwali, Muzaffargarh and Dera Ghazi Khan, lie along the valley of the Indus, and one, Multan, between the Chenab and the Sutlej.[1] Across the Sutlej lie the wastes of Bahawalpur and Bikaner, and to the west, not far beyond the Indus, rise the barren hills of Solomon, which here divide India from Afghanistan. To the south lies the province of Sind, and just before it begins, the Indus swallows in a mighty gulp all the waters of the Punjab. Only one of the four districts, Dera Ghazi Khan, lies between the Indus and the hills, and there we find the clans of Baluchistan spreading from their rocky fastnesses into the plains. Their organization is a cross between that of the Jews in the days of Deuteronomy—they are one of the many representatives of the lost tribes—and that of the Highlands after the Union. Each clan has its *tumandar*, or chief, and owes but small allegiance to anyone else. Elsewhere tribal ties hardly exist, and the great mass of the people, Jats, Seyyads and Pathans—90 per cent are Muhammadan—have few ties beyond the well by which they live and the local squire and *pir*[2] whose word is law. Villages in the ordinary sense are few and far between. The country is covered with little hamlets of four or five families clustering round a well, which is often but an oasis in the desert. In the summer the area is the hottest in the Punjab, which means that it is probably the hottest in the world, and nowhere might one say with greater feeling, 'at morn, would God it were even; at even, would God it were morn'. Only in one district (Mianwali) does the rainfall touch ten

[1] For map see p. 21. [2] Religious leader.

inches, and in the others it is barely five or six. So valuable, in fact, is water that property in it arose before property in land. The whole face of the country speaks of hot winds and blazing suns. The groves and pleasant places of the central Punjab are hardly known. Man and beast must seek their shade under the shrivelled *jand*[1] or *jal*,[2] and the date palm alone recalls the beneficence of Providence. At the foot of the hills and in the Thal, the old high bed of the Indus, there are wide tracts where a horse can scarcely live and the very date palms are barren. So scanty are the means of subsistence that, even including the towns, there are only 99 persons to the square mile, and in Mianwali there are only 66. Yet the amazing thing is that no people in the Punjab are less inclined to leave their homes. 'The Multani,' says the local proverb, 'travels no further than the *Idgah*.' Living on his well, isolated from his fellows and invariably marrying the daughter of a neighbour, he sees nothing of any district but his own. He neither enlists nor emigrates, and, unless faced with starvation, will hardly move from one tehsil to another. In Rajanpur, on the borders of Sind, there is a shortage of tenants, but men will not go there from elsewhere, though it is all they can do to live. Flatly does this area contradict the old economic doctrine, that labour will always move where it is wanted. A settlement officer tells how, not long ago, a camel man, whom he wished to engage for a fortnight's tour, burst into tears at the thought of leaving his home for so long. Even the better-to-do zemindars are said to be 'as bewildered and as unhappy in Lahore as a Highlander of the eighteenth century in London'.[3] Cut off from the rest of the world by desert and hill, the people are caged in their surroundings, and, like birds born in captivity, have no desire for anything else.[4]

How then do they live? The answer is, by the rivers, and by the rivers alone. But for them the whole tract would be a wilderness. Except in the north of Mianwali, dry cultivation is out of the question, and no man sows unless the river is there to help

River, Canal and Well

[1] *Prosopis Spicigera*. [2] *Salvadora Oleoides*.

[3] *Multan Gaz.*, 1901, p. 107.

[4] In the last decade there has been a modest amount of migration to the canal colonies from Muzaffargarh (*Census of India*, 1921, xv, 85).

him, either with the spill of its flood or with its flow underground to his well. The face of the land is streaked with canals, which carry the summer flood of melted snow or monsoon rain all over the country. These inundation canals, as they are called, run only in the hot weather, and are far less certain than the perennial canals of the central Punjab, which flow with even speed and volume all the year round. If the winter snowfall of the distant hills is light or the hot weather sets in late, the river is slow to rise and the summer crop cannot be sown. Or, what is worse, the monsoon may abruptly end and the river sink before it has done its task. Then must the cultivator choose between losing what he has already sown and not sowing the winter wheat, the biggest crop of all, as there will not be enough water for both. Nor can these difficulties be avoided with the help of a well, for a well by itself is rarely sufficient to give a man enough to eat. Just as in the great well districts of Jullundur and Sialkot no one would think of sinking a well unless he could depend upon an ample supply of rain to mitigate the toil of his bullocks, so in this area few attempt to cultivate without the help of the river (or it may be the hill torrent), which plays exactly the same part as the rain elsewhere. Owing to the dearth of grazing, fodder has to be grown for the cattle, and when that has been done, too little remains to make it worth while to spend four or five hundred rupees on sinking a well, unless the canal is there to enable a wider area to be sown. The welfare of the country, therefore, depends to a large extent upon the efficiency of its canals. But no control, however efficient, will secure the summer flood in time or prevent the river sinking too soon. Thus, the canal is only less uncertain than the rain, a point that those who only know the canal colonies may easily forget. At first sight, indeed, the network of canals makes it difficult to realize the great insecurity of the tract.

Insecurity

This insecurity dominates everything. Out of every five years it is reckoned that at least two will be bad. Recently four out of eight consecutive harvests failed, and only one was tolerably good: drought followed by flood played havoc with the crops, and to crown all an epidemic of influenza carried off 5 per cent of the people. The rainfall, scanty as it is, is at the bottom of this, for an inch

or two in season may make all the difference to a crop sown with canal and well. Without it the outlying fields must wither, and if the canal has not run as it should, the whole crop may be lost. Capricious everywhere, nature is here seen at her worst. A rainless year is apt to mean a deluge the next, as Tamerlane found in 1397, when he lost half his horses at the siege of Multan; and a deluge is generally followed by months of cloudless skies. Thus cultivation is a gamble which, as often as not, ends in the loss of half the crop. In the southern Punjab, where there is neither canal nor well, insecurity may be greater, but at least without rain nothing can be sown, and where nothing can be sown nothing can be lost. But in this area (outside the Thal) a crop can almost always be sown and almost always be lost; and what this means to cultivators who are always in debt can easily be imagined. It would matter less if in a good year store were laid by for a bad, but an incurable thriftlessness prevents this ever being done.

History of the Tract

The people are the most thriftless in the Punjab. What the settlement officer of Muzaffargarh wrote nearly fifty years ago is still substantially true. 'It is contrary to their habits,' he says, 'to keep ready money by them. If a man makes a few more hundred rupees than his expenses, he will not keep any part of it for a bad year. He at once buys more land or more bullocks, or more ornaments for his wife. He will do anything rather than keep the cash.' The reasons for this go deep into the past. After being, 1,000 years ago, the outpost of Western Islam against Eastern paganism, Multan became 400 years later the outpost of Indian Muhammadanism against the barbaric hordes which swept down upon India under Jenghiz Khan and Tamerlane. Lying on the high road from Central Asia to Delhi, the tract was a prey to every invader, and insecurity of life and possession was added to insecurity of harvest. For 300 years it 'bore the brunt of the great racial disturbances' caused by the volcanic upheavals of Central Asia. Tribal ties were broken up and replaced by the 'colluvies gentium', the heterogeneous mass of to-day. With the advent of Baber, the Khyber became the popular route into India, and with the change in the course of the Sutlej and the Ghaggar the road to Delhi *via* Multan and Bhatinda became too dry for large armies to use, and the road through Lahore

was taken instead. Incessant raids then gave place to an isolation which lasted till the days of Ranjit Singh and his great Governor, Diwan Sawan Mal (1821-44). The latter was the first man in the history of the country to attempt any systematic development. This was not due to any unusual trait of benevolence in his despotism, but to a consuming desire to accumulate wealth for himself and to his being shrewd enough to see that this could be done only by making the people work and by developing the country. The canals were cleared out, wells were sunk with Government loans, and the Hindu of the town who wanted an investment for his money was given uncultivated land to reclaim. The good cultivators were rewarded and the lazy punished, and all were kept in a state of tutelage. 'The Government *kardars*,' we read, 'did everything for them, made them cultivate the land, made the Hindus lend them money and seed, and made the borrowers repay. If one man did not cultivate his land, it was taken from him and given to another.'[1] But the habits of generations cannot be changed in a day, and the not too fatherly rod of the low-paid Government official is not the best teacher of thrift. During the ten or twenty years of his rule Sawan Mal undoubtedly secured the contentment of the people, and made his province produce more, both for Government and himself—he accumulated over a million sterling—than it had ever done before. But when the *Pax Britannica* came and the people were again allowed to do as they liked, the habits born of centuries of insecurity and ignorance asserted themselves, and the new wealth, that came with road and rail and with the right to alienate land as each man pleased, was quickly spent, a process that the astute Hindu, brought in by Sawan Mal, naturally did nothing to retard.

Thriftlessness

So much for the history of the people, and in a lesser degree it is typical of the whole Punjab, lying as the province does at the foot of the passes through which invader after invader has poured into India. But the people are not quite like the rest of the Punjab. For generations, ties were with Sind rather than with the land of the five rivers. This is reflected in the language and features of the people. When the road to Delhi was closed, the Indus became

[1] *Muzaffargarh Gaz.*, 1883, p. 85.

their only highway, as it must have been when Alexander sailed down it to the sea. And, in the old days, along the Indus, as along every other river in the Punjab, the grazier and shepherd prevailed. In many parts of the Thal he still prevails, and even Rajanpur is little more than a stock ranch. The true Baloch is still at his happiest under a *jal* tree, with goat and sheep grazing around him, and everywhere men tend to think more of their cattle than of their crops. These are not the people who take thought for the morrow. In the southern Punjab famine has compelled a certain measure of thrift, and the same is true of the Thal, where, as we shall see, conditions are exceptionally severe.[1] But elsewhere in the west there is always something to live on, for the canal will never entirely fail nor will the well run quite dry. By a kindly Providence, too, the drier the year the better the dates, a point of some importance where for four months of the year dates are the staple food of the people. Thus, though on the average 20 to 25 per cent of the crops fail every year, famine, with its powerful incentive to thrift, is unknown.

On the other hand, the river, with its equally strong incentive to the contrary, is everywhere. 'The Indus,' says the local proverb, 'takes away gold and leaves tin; the Chenab takes away tin and leaves gold.'[2] This is typical of the gamble that every Punjab river brings in its train. And here there are three, the Indus, the Chenab and the Sutlej. 'Even when the rivers are on their best behaviour,' remarks a settlement officer, 'they deprive a fourth of the population during four months of the means of following their only pursuit, agriculture. . . . But the rivers do not always behave well; they burst *bunds*,[3] carry away houses and stacks of corn, breach roads and blow up

[1] *Leiah A.R.*, 1924, p. 18.

[2] *Darya Sind sona leve te kalai deve,*
Darya Chenab kalai leve te sona deve.

Since the construction of the great canals further north, which have diminished both flood and silt, the Chenab is losing its reputation and is now said to be little better than the Indus.

[3] Embankments.

bridges, fill canals with mud, throw down Government buildings, and even drown the semi-aquatic cattle."[1] Then is—

> Every pelting river made so proud
> That they have overborne their continents:
> The ox hath therefore stretch'd his yoke in vain,
> The ploughman lost his sweat, and the green corn
> Hath rotted ere his youth attain'd a beard:
> The fold stands empty in the drowned field,
> And crows are fatted with the murrion flock.[2]

In its summer flood the Indus will be nine miles wide, and so powerful is it for good or ill that there is a separate priesthood, curiously not of Brahmins, to maintain its worship. The *Thakar Kirars*, as they are called, see to it that in due season a little lamp made of flour is placed upon a raft of reeds, and launched forth with flickering light upon the mighty stream. We saw in the last chapter but one how improvident are those who live in the *Bet*, and this tract is no exception. Even where, as at the foot of the hills, the river is replaced by the torrent, the effect is the same, for the hill torrent is just as uncertain as the river, and where there is uncertainty, cultivation will be poor and thrift at a discount.[3] It cannot be too forcibly stated that without security agriculture cannot develop; and it makes little difference whether this insecurity is climatic, economic or political.

Landlord and Pir

Three human factors must now be considered, the landlord, *pir* and *kirar*. The Punjab is a province of small proprietors, but all down the Indus—another point which differentiates this tract from the rest of the province—the large landlord is common. What proportion he forms of the whole it is impossible to judge, as official statistics are silent on the subject; but at a guess about 40 per cent of the cultivated area is in the hands of men

[1] *Muzaffargarh S.R.*, 1873–80, p. 8.

[2] *A Midsummer Night's Dream*, ii, 1, 91.

[3] 'The people are not bad cultivators, but are hopelessly handicapped by uncertainty of water' (Settlement Officer, Muzaffargarh, 1923).

who own over fifty acres.[1] How this arose it is difficult to say; but marches all the world over are held in large estates, for not only is border land never in great demand, but positions of danger require the leadership and protection of the strong. East Prussia and Rumania are good instances of this. In this case, too, there is great insecurity of harvest, and a man must have plenty of land to stand the lean years of drought. Some think the landlord system doomed, and in eastern Europe every effort is being made to abolish it by splitting up large estates into small. If, as in England and Scotland, the landlord stood for progress and *noblesse oblige*, this policy would have little to recommend it, especially in a tract that is radically insecure. In times of scarcity the cultivator of a few acres is all the better for having a man of substance behind him. But where, as in the Indus valley, the ordinary landlord is in debt and cares only for his rents and his sport, tenant and peasant proprietor fare equally ill. If the tenant is not rack-rented, it is because he is comparatively scarce. Here is a vivid description of the Alipur tehsil of Muzaffargarh, given me by one who knows the people well:—

'Every five miles or so is the house of a tribal or religious leader, who maintains a band of retainers to enforce his influence on his poorer neighbours, and to conduct his feuds with his equals. The poor man pays blackmail for his cattle to these

[1] The following figures give some indication of the position in two of the four districts:—

Tehsil	Percentage of cultivated land in the hands of owners of over 50 acres
Dera Ghazi Khan	50
Jampur	44
Rajanpur	58
Sinahwan (see *Assessment Report*, 1900, p. 94)	40

The figure for Dera Ghazi Khan is only approximate, and has been worked out from the assessment reports (pp. 10, 13 and 15 respectively) with the help of the last settlement officer of the district. In Multan, where large holdings are common, the percentage is probably well over 50 At the same time, with the exception of Multan, those who own over 50 acres are probably less than 5 per cent of the whole. In Jampur, for instance, they constitute barely 4 per cent, and in Sinahwan in 1900 the percentage was only 1·3. In Kot Adu 'about 250 persons own half the cultivated land of the tehsil' (*A.R.*, 1924, p. 14).

local chieftains and for his soul to his *pir*, who may or may not live in the neighbourhood, but visits his followers yearly to receive his dues. As would be expected, the bulk of the land is held by the rich men, who are increasing their possessions. Peasant proprietors exist on the outskirts of the small towns: elsewhere the small lordless man cannot hold his own. If he attempted to do so, his cattle would be driven, his women folk carried off, himself prosecuted before an honorary magistrate on a charge of cattle theft, and in a short time he would be glad to hand over his land and secure protection on any terms. Society then in the main consists of the land-holding squires, whose local authority is only limited by their mutual jealousies, and of their retainers and tenants, who, holding no share in the land which they till, and knowing that an appearance of wealth will lead to exaction from their feudal or spiritual masters, are content to lead a hand-to-mouth existence.'

This description may not be true of Multan, where the landlords are showing some enterprise; but, if we discount a little what is said about the *pir*, it applies well enough to Dera Ghazi Khan, where the Baloch chieftains occupy a position of unchallenged supremacy. There, with a few exceptions, the landlord's only idea of progress is to buy up the land of all who are obliged to sell. His maw is insatiable, and in the last twenty years, since the Land Alienation Act gave him his chance, he has sometimes doubled his acres. The tenant, too, is at the mercy of the local squire and his myrmidons. Owing to the general insecurity, nearly all payments and rents are in kind, and what this means may be illustrated by a *batai*, or division of a zemindar's produce, which the late settlement officer witnessed in a village in Dera Ghazi Khan. It was an ordinary village, and not one in which the land revenue was assigned to the local Baloch chieftain in kind. The latter, however, had some interest in it, and after he and the village menials had taken their share, the following had to be satisfied: the money-lender, who wanted his dues for the year; the local shopkeeper, for the goods supplied 'on tick'; another trader, for the hire of the well gear, which there had been no money to buy; the village *mullah*, for his many calls to prayer; the local fakir, for the glory of God; the landlord's agent, for the glory of man; the two village accountants (one was a canal *patwari*), for the

glory of the *Sirkar*; the *lambardar's* assistant, for doing the lambardar's work; and finally, the canal *bhisty*, for watering trees. Something, too, had to be sent to the father of the girl betrothed to the zemindar's boy. When almost nothing remained, the zemindar was asked what was the good of it all. 'God has preserved my honour' (*Sain pat rakhi*), was the expressive reply, and upon this unimpaired credit and wasted store he doubtless continued to live for the rest of the year in love and charity with his neighbours, and with frequent doles from the *kirar*. No wonder the proverb says, 'Dividing a heap of corn is as bad as the judgment day'. This man, moreover, was a proprietor. A tenant fares even worse, for when occasion calls he has to lend his cattle to cultivate his landlord's fields; insecurity of tenure, too, is added to insecurity of crop. Worst of all is the landless labourer, who is the crux of every landlord system in Europe. In Muzaffargarh and Dera Ghazi Khan, he still gets only five or six rupees a month, with a blanket and a pair of shoes thrown in at the end of the year; or, alternatively, he will be fed and get a rupee a month for everything else. His children may earn a little more by herding cattle and his wife by pounding grass for ropes, but even so the daily fare has to be eked out with dates and wild berries.[1] The *pir's* exactions are less serious perhaps than those of the landlord, but they are the last straw upon the camel's back. 'This part of the Punjab,' we read, 'is overrun by religious imposters of different kinds, and the agriculturists make them presents out of all proportion to their incomes, and vie with one another in the largeness of their gifts.'[2] Worst of all, both landlord and *pir* are instinctively opposed to the two movements from which the ordinary cultivator has most to hope. Neither education nor co-operation has their sympathy, and the reason is not far to seek, for both strike at the *régime* which it is their one object to maintain.

There remains the *kirar*, as the money-lender and trader of these parts is called. He will only be briefly dealt with here,

[1] In Kot Adu (Muzaffargarh), the yearly earnings of a farm hand and his family are said not to exceed Rs. 120, of which Rs. 85 at most are earned by the farm hand (*A.R.*, 1924, p. 16).

[2] *Muzaffargarh Gaz.*, 1883, p. 63.

as the money-lender of the province has a chapter to himself.

The Money-lending Kirar

He is only less dominant than landlord and *pir*, and is at once the curse and the salvation of the country; the curse for obvious reasons, and the salvation because he alone stands for capacity, intelligence and thrift. Moreover, in a tract where wells have to be sunk and drought has to be faced, he and his capital are indispensable; nor without him could people market their grain, as local markets hardly exist. He is often a landowner, not infrequently a cultivator, and, though it is fashionable to decry the non-agriculturist's control over the land, it has to be admitted that, in this part of the world at least, he is often an asset of importance. If cultivation is anywhere above the average, if fruit trees are growing along the watercourses, or if an experiment is being tried, it is ten to one that there is a *kirar* in the background directing and supervising the work. As a landlord he is often to be preferred to the Muhammadan squire, but as a money-lender he has all the vices of his trade. The only points in his favour are, that on the whole his relations with the countryside are not quite as bad as in some parts of the Punjab, and that he hales a client to court only when the case is extreme. This, however, means very little, for if his relations with his neighbours are outwardly no worse than they are, it is because both sides remember the events of 1915, when the people rose *en masse* and paid off accumulated scores in a thoroughly old-fashioned way. The *kirar* has learnt a little wisdom, and at the same time the people are sobered by the way in which their efforts were suppressed. If, too, the *kirar* is in no hurry to go to court, it is because the cultivator is his only investment. A man thinks twice before taking an only cow to the butcher, and in Mianwali, where the border spirit still prevails, the cow is sufficiently wild to be treated with respect. A *kirar*, therefore, will not sue a client as long as there is any hope of repayment, and only puts him into court when he takes to evil courses and threatens to become a bad investment. Ordinarily, too, the *kirar* is allowed to take all he wants from the threshing floor, in return for which he finances the cultivator throughout the year. Interest is nominally charged at 12 per cent, but no one thinks of paying it. Yet the *kirar* does well enough, as he is an adept at squeezing all

he can out of his client. A man who borrows Rs. 100 will get only Rs. 93-12-0 or at most Rs. 96-14-0. The rest is deducted as discount (*chilkana*) at the rate of one anna or half an anna in the rupee, nor does the cut ever appear in the books. This is followed by a bundle or two of straw in the summer, a dollop of milk at Dusehra,[1] and a load of hay in the winter, all little extras to keep the *kirar* in a good temper. No one ever looks at the accounts, nor would the Muhammadan cultivator understand them if he did. Yet everyone, great and small, has an account with the *kirar*, and nearly everyone's account is overdrawn. The *kirar* is clever enough to see to that. 'The cultivator,' he says, 'like a wound, is best bound.'[2] In most cases he is triply bound —for landlord, *pir* and *kirar* each contribute their fetter. Nor, as long as he can fill his stomach and can get a modest loan for an occasional festival or marriage, does he make any effort to free himself from his bondage. Such is the hanking system of the western Punjab, and the result is universal debt.

Extent of Debt

It is generally agreed that, outside Multan, almost everyone is in debt. But let it not be thought that this is a new phenomenon. 'I can count on my fingers,' wrote the settlement officer of Muzaffargarh in the seventies, 'the men who are free from debt.' Twenty years later the next settlement officer wrote that things had become worse, and that probably not more than 5 per cent were free.[3] Of Mianwali, in the eighties, we read that 23 per cent of the Muhammadan proprietors were either ruined or irretrievably involved.[4] Conditions to-day are probably no better. The present settlement officer of Muzaffargarh says that 90 per cent of the owners of the Muzaffargarh tehsil are in debt; Isakhel, with a total debt of over forty times the land revenue, has some of the most indebted estates in the province; and there are three more tehsils, Mianwali, Jampur, and Sanghar, in which the multiple is thirty or more. The figures given below, which are

[1] A Hindu festival falling in October.

[2] *Jat te phat badha change.*

[3] *Sinanwan A.R.*, 1900, p. 95.

[4] See Mr. Thorburn's *Settlement Report* of Bannu, which then included two-thirds of the present Mianwali district.

based on the official enquiry into mortgage debt, show the position in the tract as a whole :—

TOTAL DEBT (PROPRIETORS AND OCCUPANCY TENANTS ONLY)[1]

District	In lakhs	As a multiple of the land revenue	Per cultivated acre	Per head of the rural population
			Rs.	Rs.
Mianwali ...	150	28	22	46
Muzaffargarh ...	191	22	26	35
Dera Ghazi Khan ...	168	22	13	40
Multan ...	200	8	17	25
Average ...	...	15	20	34

A glance at these figures will show that debt in the west is much heavier than in the north. In Multan, it is true, the land revenue multiple (8) is exactly the same as in Rawalpindi,[2] but, as we shall see in a moment, the district has certain advantages over its neighbours. In the other three districts debt is far heavier, and Attock, with a land revenue multiple of 18, is the only district in the north that can be compared with them. This link with Attock is not a mere accident, for the latter not only marches with Mianwali, but is agriculturally almost as insecure. In the last chapter, the conclusion was reached that insecurity is likely to produce a heavy burden of debt. If the west is compared with the south, the conclusion is confirmed. Omitting Multan from the one and Karnal from the other—neither district

[1] Enquiries by the late settlement officer of Muzaffargarh into the extent of debt in the Alipur tehsil give the following interesting results :—

(*a*) Proprietors' debt is twenty-three times the land revenue, or almost exactly the same multiple as that given above for the whole district.

(*b*) Mortgage debt is only 36 per cent of the whole ; to obtain total debt above it was assumed, as in the north and south of the province, that it was 50 per cent of the whole, and the official mortgage debt was therefore doubled ; the figure given in the text is thus probably an under-estimate.

(*c*) 32 per cent of the owners are not in debt, but they are mostly *kirars*, who throughout the tract are little in debt. The proportion for tenants is 29 per cent, representing, the settlement officer says, those who cannot borrow for want of credit.

[2] See p. 86.

is radically insecure—we have two groups of three districts, for which the figures for debt are as follows:—

	As a multiple of the land revenue	Per cultivated acre	Per head of the rural population
		Rs.	Rs.
West ...	25	21	39
South ...	17	15	36

In both areas debt is undoubtedly heavy, but it is decidedly heavier in the west than in the south. For this there are two reasons: the improvidence of the people, and the smallness of their holdings.[1] The general improvidence and the absence of any impulse to thrift in the west have already been sufficiently stressed, and there is no need to say anything further on the subject. We may, therefore, turn to the question of holdings, and we may approach it through the case of Multan, in which debt is surprisingly light.

Multan

At first sight there is little to differentiate Multan from the rest of the tract. The character of its people is not markedly different, and climate and rainfall are much the same. It has, however, certain advantages denied to its neighbours. In the first place, one of its five tehsils (Khanewal) is a young canal colony, and, as we shall see in the next chapter, there is nothing more prosperous than this. Debt is little more than half the land revenue, which means that there is virtually no debt at all. In two more tehsils (Kabirwala and Multan) the general insecurity is considerably mitigated by the Sidhnai canal, with the result that debt in the former is only six times the land revenue. Secondly, all three tehsils have a first-rate market in the city and cantonment of Multan with its 85,000 inhabitants. This is a factor of some importance, for my enquiry suggests that where markets are absent debt is usually high. Without the competition of a large number of purchasers the cultivator cannot obtain a fair price for his produce, and falls an easy prey to the local bania. This is the case with most of this tract, but is far less so in

[1] Cf.:—' The causes of this debt are two, first, the extreme fluctuations in annual produce . . . and, secondly, the minute size of holdings ' (*Kot Adu A.R.*, 1924, p. 14).

Multan owing to the size of its capital. Its railway communications, too, are comparatively good, whereas Dera Ghazi Khan has no railway at all. Moreover, the neighbourhood of a large town, though not always good for character, has a bracing effect upon the mind, which perhaps explains why the landlords of Multan, unlike those of the other three districts, show some feeling for progress. In this they have undoubtedly been stimulated by the large number of *kirars*, who were given land by Sawan Mal and who now hold a quarter of the cultivated area of the district, which is a larger proportion than anywhere else. But perhaps the most important factor of all is the number of large holdings in the district. Though in all four districts there are plenty of landlords, there are many more in Multan than elsewhere, so much so that broadly the district may be said to be one of landlords sprinkled with peasant proprietors, and the other three of peasant proprietors sprinkled with landlords. The importance of this lies in the fact that, in this area at least, the larger the holdings the lighter the debt. In Rajanpur, for instance, where holdings are twice as large as in any other tehsil of the district (Dera Ghazi Khan), debt is only four times the land revenue. In Kot Adu (Muzaffargarh), we find exactly the same multiple, for apparently the same reason: and so, too, with Multan, with its multiple of eight against a multiple of well over twenty for the other three districts.

The Small Holder at his worst

In the latter we see the small holder at his worst. This will be clear if we consider one tehsil in detail. This we are fortunately able to do, for in the nineties, when Muzaffargarh was 'settled', a careful enquiry was made into the economic conditions of what is now the Kot Adu tehsil. It was calculated that a man with a wife and two children required a minimum of from thirteen to forty acres of *cropped* area to live on, according to where he lived. Forty acres, for instance, were required in the semi-desert Thal. Then it was found that, though about 40 per cent of the cultivated area was in the hands of owners of over fifty acres, 87 per cent of the owners cultivated less than ten acres and 68 per cent between one and five. The settlement officer, an Indian intimately acquainted with the people, reckoned that 92 per cent of the owners in the tehsil

could not make both ends meet. How then do they live? Some, he says, are able to make up the deficit in good years; many have cattle which bring a little grist to the mill; others (a good few, one supposes) live below the average standard of living taken for calculating subsistence. Some, too, work as labourers or take land on rent. But he adds, 'It is clear that the majority of land-owners have to work at a very small margin of profit; indeed, most of them have no margin at all,' and so the smallest aberrations in the way of cattle disease, continued drought, or the like, throw them out of balance, and they are obliged to resort to the village money-lender; and once they fall into his *hands there is no getting out of it*'.[1]

The estimate that 92 per cent of the owners of this tehsil cannot make both ends meet might be thought an exaggeration, or not to be characteristic of the district as a whole, but for recent enquiry. The late settlement officer estimates that only those who pay Rs. 25 or more of land revenue can maintain their families in any measure of decency and comfort, and his investigations show that in three out of the four tehsils of the district not more than 4 per cent are in this position. In the Muzaffargarh tehsil, deducting the area under fodder, he reckons that there are about two persons to the matured acre, the average yield of which is not more than nine maunds of wheat. In Alipur, where about 3 per cent of the owners own half the tehsil, there is an average of only two acres each for the remaining 97 per cent, which means that in many cases the area owned is considerably less.[2] Mianwali is much the same, and in Isakhel, where moreover the rainfall is most capricious, the area tilled by the owners themselves is little more than two acres per owner. In Dera Ghazi Khan the average is higher, but if we exclude Rajanpur and the large estates, things are little better. The universal debt in three out of our four districts is now sufficiently explained. The root

[1] *Sinanwan A.R.*, 1900, pp. 94–95. Compare the following from the *Bannu Settlement Report* of 1872–78 (p. 60): 'In the majority of cases when a peasant parts with his land . . . the reason is poverty caused . . . by the holding being economically too small to support the number of mouths dependent on it.'

[2] Total number of owners is 50,275, of whom 1,604 pay Rs. 25 or more of land revenue and own half the tehsil.

of the evil is the same as in the central Punjab. Holdings are too small, and the evil is intensified by the insecurity of the harvest and the improvidence of the people. If anything further were needed to complete the ruin of the latter, it is the way holdings are split up. This is bad enough in the central Punjab, but here it is if anything worse, for land is commonly owned in different wells, which are too far apart for a man to cultivate all that he owns himself. Land has therefore to be leased in one well and rented in another. There is a large estate in Dera Ghazi Khan, belonging to one of the Baloch chieftains, which is scattered over 76 different villages, and in twelve villages the amount owned is less than ten acres. For the large landlord with his ample resources this may not be serious, but for the man with only a few acres it may well be the last straw. Nowhere in these three districts has he a chance. He is fighting a losing battle, and he knows it.

Importance of Subsidiary Means of Subsistence

One thing alone might save him, and that is the spirit of enterprise that we found in the north. In Rawalpindi, holdings are probably no larger than in Muzaffargarh, yet the peasant proprietor on the whole keeps out of serious debt. As we have seen, this is because he is prepared to turn his hand to anything, from soldiering to stoking. Not so in Muzaffargarh and Dera Ghazi Khan. There the peasant cannot bear to leave his home, and it is only when the money-lender will lend him no more that he reluctantly admits, as someone said to the writer, that 'it is better to labour than to starve; so up goes the cooly's basket on to our white pugarees'. If debt is worst in Muzaffargarh, it is because the cooly's basket is the only resource, whereas in Mianwali men enlist and in Dera Ghazi Khan eleven lakhs a year, or 50 per cent more than the whole land revenue of the district, are earned from the sale of *ghi*[1] and the breeding of pony, camel, and bullock. This enquiry shows conclusively that in this country, as perhaps, indeed, in every country, without immense industry and thrift the holder of a few acres cannot live on his land alone, unless it is intensively cultivated. Either he must have a second string to his bow or he must fall into the 'strong toils' of the money-lender. The

[1] Clarified butter.

kirar, who is a landowner, is himself an example of this. He is rarely in debt, partly no doubt because he is industrious and thrifty, but even more because he has two other strings to his bow—money-lending and trading.

Poverty of the People

For his want of enterprise and thrift and his reckless ways the peasant has to pay dear. In Muzaffargarh and Dera Ghazi Khan his standard of living is lower than anywhere else in the Punjab. It is the standard of fifty years ago, when everyone, as a matter of course, wore the plain homespun *khaddar*, or country cloth, and gold ornaments were rare, and there was little to vary the daily diet of millet or wheat. Pulse is still a luxury, and turnip and onion the only vegetables that are common. For four months of the year people live mainly upon dates, and so poor are some that in years of scarcity the very date stones are ground into flour. Meat is rarely eaten except on festivals or when an animal is killed to save it from dying a natural death or dying prematurely from disease. Even at weddings, entertainment does not usually go beyond rice and a goat, and the sweetmeat, so dear to the peasant, is rarely seen. Clothing is as simple and as scanty as the food, and rarely has a man or a woman a change of clothes. In a recent epidemic of fever the inhabitants of the infected villages were strongly advised to wear clean clothes. 'But,' they replied, 'we have only the clothes we have on our backs.' And this was said by the village headman as well as the ordinary cultivator. The houses are built of the rudest materials and contain little but necessities—earthenware vessels for food, water and light; mortar, pestle and hand-mill for crushing and grinding; wheel and spindle for spinning; a sieve and a basket for winnowing, and a *charpoy* or two for sleep. Apart from the occasional fair, funeral or marriage, the two chief distractions are wrestling and a dance called *Jhammir*. Ability to dance the latter is a sign of virility. 'He who cannot dance *Jhammir* or clap hands,' says the proverb, 'why does he bother to grow a beard?'[1] As in Attock, superstitions are rife and the evil eye universally dreaded. Since medicine has no power over the latter, medical aid is little sought, and those who are ill prefer to pay their hereditary *pir* large sums to propitiate his supernatural powers.

[1] *Na Jhammir na tari te ajai munh te dahri.*

The following description of the Thal, where wild plants are said to be more important than crops, gives a vivid picture of conditions in part of the tract :—

'The prevailing note among the Thal people is their poverty —a poverty not only of resources, but also of enterprise and intelligence. A continual struggle with nature in her most niggard and capricious mood leaves them too exhausted for any other effort.[*] They will not enlist or take any kind of service, and admit their lack of enterprise with the excuse that they are "camel-hearted". There is, indeed, much in the comparison, for they have to undertake an immense amount of the dullest kind of labour on the poorest of diets and for the meanest of rewards. The well-owner displays an industry far greater than his neighbour in the *Kachhi* (the riverain along the Indus), but the cost of his oxen, the scarcity of the rainfall, and the severity of the climate ensure him the poorest of results. He eats but little wheat or barley; for part of the year he and his family live on turnips and melons, and for the rest the supply of grain is eked out by wild fruits—the berries of the *jal*, the *jand* and the *ber*.[1] The shepherd and the camel-grazier ask and enjoy still less. They exist almost entirely on the milk of their sheep or their camels, aided by such grain as they earn by work at harvest time in the *Kachhi*. They eat a good deal of meat, for . . . they never hesitate to use the knife on an animal dying of disease, be it bullock, goat or a camel.'[2]

It is only fair to add that nature, never entirely merciless, has given the people one compensation for their poverty, namely, health. Epidemics are rare, mosquitoes unknown and centenarians common. There are many who as children saw the great Diwan Sawan Mal 'and even claim to remember Maharaja Ranjit Sing when he led his army to reduce the forts of the Thal'.[3]

Conditions in the Thal may be worse than anywhere else, but throughout Muzaffargarh and Dera Ghazi Khan there is much grinding poverty. An official of Dera Ghazi Khan tells how one evening he met an agricultural labourer going home with a

[*] *Sisyphus jujuba.*

[2] See *Mianwali Gaz.*, 1915, p. 134.

[3] *Leiah A.R.*, 1924, p. 18. That part of the Thal, which lies in the Kot Adu tehsil, is far less healthy, as the water level is higher (*Kot Adu A.R.*, 1924, p. 3).

quantity of unripe peas wrapped in the folds of his shirt. This, he explained, was the family dinner, and, what is more, he admitted that it was stolen. 'A man must live,' he said, and in this case he had to support mother, wife and child on the usual wage of Rs. 4 a month, and his only asset, apart from his labour, was a two-leg share of a bullock. No wonder that when I asked a crowd of villagers in Muzaffargarh whether they ate meat, there was a chorus of '*tobas*'[1] at the absurdity of the question. Yet in spite of their poverty, the people are ungrudgingly hospitable. 'Not even an enemy,' says a Multan proverb, 'shall go away when the baking plate is put on the fire.' A man, too, is quick to help his neighbour in distress. If a house is swept away by flood, the whole village will turn out to save the goods. But on the whole poverty is demoralizing. What a settlement officer wrote nearly fifty years ago is still substantially true. 'The common people,' he says, 'will steal anything they can. Sexual immorality is universal. They are not a cheerful people. In conversation they seem to remember nothing but droughts, failures of canals, blights, deaths of cattle, and every possible misfortune that can befall a farmer. They are absolutely wanting in any public spirit. I have heard a tehsildar, as the worst punishment he could inflict on a recalcitrant zemindar, threaten to get him appointed on a district committee.'[2] Verily the destruction of the poor is their poverty. Even of the comparatively prosperous district of Multan a settlement officer could write: 'Both nature and man have been too strong for the Multani peasant. . . . The prostrating effects of the fierce summer heats, and the absolute hopelessness of the agriculture in years when floods are scarce, have broken the heart of the peasant. . . . His efforts are by fits and starts; long continued energy is unknown to him; and he has not the instincts of discipline which the Jat of the central Punjab has, for he has been under one conqueror after another.'[3]

That this is at once the poorest and the most backward part of the Punjab can hardly be doubted. There are still places in Dera Ghazi Khan where, to give everyone a turn of the best irrigated land, fields are redistributed every three or four years,

[1] 'God forbid.'
[2] *Muzaffargarh S.R.*, 1873–80, p. 73.
[3] *Multan Gazr.*, 1901, p. 107.

and in some cases even once a year. The house serf, too, can still be found amongst the Balochis, for every Mazari has his hewer of wood and drawer of water, whose only wage is food and clothes; and so much is he part of the household that he is even admitted into the zenana.[1] With such customs still in force it would be idle to talk of progress. In Multan, the seed of change is being sown. But Muzaffargarh and Dera Ghazi Khan are where they were a generation ago. In some ways things are even worse, for in the last forty years the population of the two districts has increased by 29 per cent and holdings are correspondingly smaller. In a village notebook I came across a note, written fifty years ago by the settlement officer of the day, which ended thus: 'Mortgages very numerous, the people much in debt, relief necessary'. In the interval mortgage debt had nearly doubled, rising from Rs. 12,611 to Rs. 23,000, and in addition there was Rs. 22,000 of unsecured debt. Upon this the only possible comment is 'relief still necessary'. The words, indeed, are writ large over the whole district.

Possible Remedies

But what relief can be given? Half the country is burnt up by the sun, and the other half drowned by the river, and the whole is waterlogged with debt. Though the most thinly populated area in the province, it is over-populated for any but the lowest standard of living. 'The two things that crush us,' said a cultivator to the writer, 'are the piling up of interest upon interest and the lack of produce (*paidawar*).' Had not high prices been a help, I asked another. 'What do we know of prices?' was the laconic reply; 'it is all we can do to fill our bellies.' In the village just mentioned, by no means one of the worst, debt averaged Rs. 40 an acre, and an acre produces less than Rs. 40 a year, and every fourth year it will produce nothing at all.[2] To feed the village there was less than an acre a head. Holdings are either too large or too small. The small holder can barely live, and the large barely work. To loll on a charpoy all day listening to gossip and scandal, with an occasional outing after game, is what the big man likes. There is no reason why he should be

[1] *Rajanpur A.R.*, 1919, p. 14.

[2] One acre produces 10 maunds of wheat and one of fodder.

in debt, yet he nearly always is.[1] The peasant proprietor is merely improvident: the landlord is extravagant as well. The former will rarely spend more than one or two hundred rupees upon a marriage, but the latter may throw away thousands. Upon a mere circumcision a Baloch chieftain recently spent Rs. 15,000, and what made it worse was that most of it came out of the pockets of his clan. In England the landlords have always been the natural leaders of the countryside, and half the progress of agriculture is due to them. But in this tract it seems useless to look to the landlords to get the people out of their slough of despond. 'Though there are some honourable exceptions . . . they neither develop their lands themselves, nor permit others to develop them.'[2] Nor is it of any use to lighten the land revenue, for, as we shall see later,[3] this would probably be followed by lower production, or by an increase in population or debt. The only solution is co-operation combined with education, and systematic colonization of the surplus population combined with consolidation of holdings. It is doubtful whether any of these remedies would succeed alone: the problem is too serious for that. Even co-operation, which has achieved brilliant results in other parts of the province, has made little or no headway here. The reason is, the people are in the hands of landlord, *pir* and *kirar*. Lacking in backbone and almost incurably thriftless, they are at present incapable of the self-help which is the essence of co-operation. Yet the position is not quite hopeless. In Multan, with the development of communications, the beginnings of education, and the advent of the Lower Bari Doab Canal, light has dawned and progress begun. A good instance of this is an increase of 42 per cent in the number of wells between the last two settlements. In Mianwali, too, the cultivator is no longer entirely in the hands of the bania, and he has begun to take his grain to the market himself, and, what is even better, he is sometimes thrifty enough to lay by grain for a bad year. It is usual to decry the cultivation of the tract, and certainly it would be

[1] e.g. in the Kabirwala tehsil of Multan the majority are said to be in debt from Rs. 1,000 to Rs. 5,000, and 'a few owe anything from Rs. 5,000 to a lakh of rupees' (*A.R.*, p. 24).

[2] *Kot Adu A.R.*, 1924, p. 14.

[3] P. 249.

difficult to find worse cultivation than where the Baloch prevails in Dera Ghazi Khan. With a bad plough, which he uses as little as possible, sowing his rice broadcast and putting the heaviest strain he can upon his land, 'he believes', says the settlement officer, 'in two times only, a time to sow and a time to reap'. On the other hand, it would be difficult to find neater and more symmetrical fields, more carefully plastered water-courses, and a more plentiful use of manure than in parts of the Thal. Even in Muzaffargarh the settlement officer estimates that not more than 10 per cent are hopelessly involved. There is hope, therefore, but only if the problems are wisely and resolutely tackled. 'Without wisdom,' says the local proverb, 'the well is empty.'[1] There is no part of the Punjab where wisdom is more greatly needed.[2]

[1] *Akl bajhon khu khali.*
[2] This area is now (1927) receiving the special attention of Government.

CHAPTER VII

THE CANAL COLONIES

THE PEASANT PROPRIETOR *in Excelsis*

'I will tell a new tale to-day
How of old the *Bar* was the prey of thieves,
The shelter of deer, jackals and rats,
Now no barren jungle is left,
Young sahib[1] has peopled the land.'
(Punjabi Ballad).

The Tract as it was

IN the last chapter we were in an atmosphere of poverty, ignorance, and oppression. We saw the tiller of the soil eking out a difficult and scanty living at the mercy of landlord, *pir* and *kirar*. We found conditions harder than anywhere else in the Punjab, and a degree of poverty happily more characteristic of sixty or seventy years ago than of to-day. We noted the demoralizing effects of this upon the character of the people, and the almost insoluble nature of their problems. We now enter the last circle into which the Punjab has been divided for the purpose of this enquiry, and the contrast is certainly startling. In the western Punjab, conditions are dominated by a relentless nature. In the great Canal Colonies that are about to be described, we feel everywhere the beneficent hand of man. In the former, life is the immemorial life of India, primitive, isolated and fatalistic: in the latter, it is the new life brought in by the *Pax Britannica*, prosperous, progressive and modern. And not more than thirty years ago the two tracts would have been indistinguishable. But for the imagination and enterprise of a dozen engineers and bureaucrats, virtually the whole country between the Jhelum and the Sutlej, west of the main line of the North-Western Railway, would have had to be included in the area dealt with in the last chapter. It is only the canals fed by the Jhelum, the Chenab and the Ravi that have prevented the four

[1] Captain (now Sir) Popham Young, first Colonization Officer, Lyallpur.

flourishing districts of Shahpur, Lyallpur, Jhang, and Montgomery being almost a desert. In the sixties, 89 per cent of Shahpur was waste, and thirty-five years ago Lyallpur did not exist. Carved out of the desolate *Bar* between the Chenab and the Ravi and named after Sir James Lyall, the Lieutenant-Governor under whose wise and far-sighted guidance the first of the great canals was dug, the Lyallpur district now contains nearly a million inhabitants.[1] The prosperity of Montgomery is even more recent. Ten years ago it was a country of rolling sand dunes patched with grass, and of hard, unfruitful plains glistening with salt. In the early nineties, a man journeying south from the Jhelum to the Sutlej would have had to traverse 150 miles of some of the ugliest and dreariest country in the world. Here and there round scattered wells, as in the tract we have just left, his eye might have been gladdened by a smiling oasis of wheat; and if rain had just fallen, he would have found abundant grass. But rain in the *Bar* is rare (the average is only five inches a year) and his way would probably have lain through an endless waste of bush and scrub, with little sign of life beyond the uncertain footmark of camel, buffalo and goat, and the movable dwelling of the nomad grazier, with its roof of thatch propped upon wooden poles. To some there was a certain fascination in the sense of freedom and solitude given by the wide open spaces of the *Bar*, but most people would probably have agreed with the deputy commissioner of Jhang who described it as 'unrivalled in the world for its combination of the most disagreeable features a landscape is capable of affording'.[2] The writer, at least, will never forget the impression of desolation made upon his mind twenty-two years ago when, fresh from the verdure and beauty of England, he found himself for the first time caught in its grip. It is even worse than the country along the Indus, where closely converging rivers relieve the landscape with their ribbons of green fields; for here the Jhelum, Chenab, Ravi and Sutlej are still far apart, and the broad stretches of upland country between them are out of reach of their summer flood.

When the Lower Chenab Canal was made (1887-92), there was, of course, nothing new in the idea of irrigation by canal.

[1] 979,463 (1921).

[2] *Chenab Colony Gaz.*, 1904, p 6.

Foundation of the Canal Colonies

The Mughals had done it in the southern Punjab 300 years before, though more for their own enjoyment than for public benefit; and one of the first results of the annexation of the Punjab (1849) was the construction of the Upper Bari Doab Canal (1860-61), by which the waters of the Ravi were taken from the foot of their native hills to the fertile and densely-populated districts of Amritsar and Lahore, 100 miles away. Ten years later, toll was taken of the sacred Jumna to irrigate the southern Punjab. It was not, however, till the eighties (1886-88) that the first experiment in colonization was made. One hundred and seventy-seven thousand acres of waste land in the Multan district were irrigated from the Sutlej, and colonized with immigrants from the surrounding country. The experiment proved but a qualified success, as a perennial supply of water could not be guaranteed. Meanwhile, great strides had been made in science, and canal engineers became increasingly ambitious. The next experiment, therefore, was on a different scale. The Chenab was to be harnessed and over a million acres irrigated and colonized.[1] This experiment proved a brilliant success, and the opening of the Lower Chenab Canal, in 1892, is the turning point in the economic history of the Punjab.

Since then the making of canals has gone on apace. The Jhelum was attacked in 1897, and five years later the second great canal colony (the Lower Jhelum) began to appear in the wastes of Shahpur. This was followed by the famous Triple Project (1905-17), about which much has been written. Southwest of Lahore lay the desert of Montgomery, but the only river from which it could be irrigated, the Ravi, had already been tapped for Lahore and Amritsar. On the other hand, 200 miles further north, there was still plenty of water in the Jhelum. Could it be brought to Montgomery with the Chenab and the Ravi in between? This was the problem that the great canal engineer, Sir John Benton, set himself to solve, and this is the way he did it. Three canals were made. The first (the Upper Jhelum) took the spare water of the Jhelum and poured it into the Chenab, irrigating 350,000 acres on its way. Chenab and Ravi were

[1] In the four years ending 1924-25 an average of 2,506,270 acres was actually irrigated.

then linked together by a second canal (the Upper Chenab), which irrigated another 650,000 acres in Gujranwala and Sheikhupura. Finally, the water that remained was carried across the Ravi by a level crossing—a barrage, 550 yards long, was flung across the river—and the third canal, the Lower Bari Doab, took it another 134 miles through Montgomery into the heart of Multan. The Lower Bari Doab Canal Colony, the third of the great colonies, is the result.

Financial Benefits

Altogether the three colonies, which for the sake of brevity we may call the Lyallpur, Shahpur and Montgomery Colonies, include nearly four and a half million acres, of which about four million are irrigated every year.[1] In addition, there are six smaller colonies covering another half a million acres.[2] The total area colonized, therefore, is about five million acres, which is one-sixth of the cultivated area of the province.[3] In 1924-25, a normal year, a net profit of Rs. 206 lakhs, or nearly £1·4 millions, was made by Government upon the canals serving the three major colonies, representing a dividend of 27 per cent upon the capital outlay (754 lakhs).[4] The profit made by the colonist is even greater, as may be judged by the fact that in the same year the produce of this area was valued at 28½ crores, or £19,000,000.[5] If we include the six smaller areas, the total produce of the colonies can hardly be worth less than £20,000,000 a year, of which

[1] Technically the three colonies are called respectively the Lower Chenab Colony, embracing Lyallpur and part of Jhang and Sheikhupura (about 2¾ million acres), the Lower Jhelum (500,000 acres), and the Lower Bari Doab Canal Colony (1·3 million acres). The last includes a slice of Multan as well as a large area in Montgomery.

[2] Viz., Sidhnai (about 232,000 acres), Sohag-Para (86,000), Jhang (9,000), Chunian (84,500), Upper Chenab (80,000), and the Upper Jhelum Canal Colony (43,500 acres). The figures, which are taken from the *Punjab Colony Manual*, and the *Punjab Administration Report* for 1921-22 (Vol. i), represent approximately the areas colonized, not the areas irrigated by the canals in question, which in some cases are very much larger. It must be remembered that the colonies form less than half of the total canal-irrigated area of the Punjab, which in 1925-26 amounted to 10,430,803 acres.

[3] 29·85 million acres (Ld. Rev. Ad. Rpt., 1926, p. 26).

[4] See *Punjab Irrigation Department Administration Report*, 1924-25, Pt. I, pp. 6-7.

[5] *Ibid.*, Pt. II, pp. 22-23.

£5,000,000 is probably net profit to the cultivators.[1] This immense increase of wealth is vividly reflected in the trade of the province. In the early nineties the average annual export of wheat from the Punjab was not much more than 250,000 tons; in good years it is now over a million.[2] In 1920-21 the value of this export exceeded £9,000,000 (13.58 crores), and in the same year £3,000,000 of gold and silver were imported into the Punjab,[3] mainly no doubt for consumption in the canal colonies, where, it is said, it was often bought not by the ounce but by the seer.[4] The colonies have, in fact, opened for the Punjab an era of prosperity undreamt of in the past.

Early Difficulties

Before, however, so much could be achieved, many formidable difficulties had to be overcome. In the case of the Lyallpur colony they were almost overwhelming. The country was wide, empty and desolate, the population hostile, and the climate in summer of the fiercest. The tract could only be reached by bullock cart, camel or horse, and even when the first harvest was won, there was no railway to take it to market. Nor was that first harvest by any means an easy affair. Methods of irrigation were in their infancy; levels were not always rightly calculated, and colonists were allowed to arrive before all the main channels were ready. The land had to be cleared of bush and scrub, fields to be levelled and embanked, and watercourses to be made. Sometimes the water refused to run, and nothing could be sown. The indigenous nomads, resenting the alien intrusion into their solitudes, gave the settlers no peace, stealing their cattle and preying upon them in every possible way. A severe epidemic of cholera made things worse, and it was not till an abundant harvest appeared, that the excellence of the soil was

[1] If we assume, on the basis of recent settlements, that land revenue ordinarily represents 8 per cent of total produce and 25 per cent of net profit, the latter would amount to £6,400,000. £5,000,000, therefore, seems a safe estimate.

[2] In 1924–25, 1,111,691 tons of wheat were exported from India; but in 1925–26, only 211,637 tons, and in 1926–27, 175,949 tons (see the annual reports of the Controller of Currency: the bulk of the export is from the Punjab.)

[3] In this case the Punjab includes the Frontier Province.

[4] A *seer* is about 2 pounds.

revealed and spirits revived. Even then difficulties were not at an end. Labour was scarce and large quantities of cotton remained unpicked. When harvested, too, the produce had to be conveyed to market 'by the same perilous ways by which the settlers came'. No wonder that many returned in disgust to their homes, little realizing the Eldorado that the wilderness was to become.

Choice of Colonists

With so many difficulties to be overcome, the choice of colonists was all-important. For the most part they were taken from the central Punjab, and only from the best agricultural tribes. How the selection was made, in one district at least, will be seen from the following passage, which I make no apology for quoting, as it is an admirable example of the paternal form of Government, dear to the heart of every simple people, and now, for better or worse, passing away. It is the settlement officer of Amritsar who writes. He has halted for the night in a village, and in the early morning all the would-be colonists are gathered together for inspection. 'Walking down the row I could easily see the men who were physically unsuitable. Many old dotards and mere boys would be brought up, in the hope of thus securing an extra square[1] for the family, though they had no intention of going, and would do no good if they did. His colour would often betray the habitual opium-eater, and his general appearance (more especially his hands) the *shaukin*[2] and the *jawan*[3] who had been in the army or in Burma, and who, "cutting his name" after a few years spent with a regiment, had come home to the village, but had never done a hand's turn of honest work behind the plough. Such men would never do any good in the *Bar*. A show of hands is a simple method for discovering the real workers among the community. Next, if any one family was represented by too many members, one or two of these would be weeded out, amid loud protests. Sometimes the three generations would come forward, headed by a hoary old grandfather, and try to secure six or seven squares between them. It was plain that they would not all go, and even if they did that their going would deprive some other

[1] Every colony is divided into squares or rectangles, measuring 25 or 27·8 acres.
[2] Fop.
[3] Young man.

family of relief, so they had to be thinned out. Then with the *patwari* and a *munshi*[1] at my elbow, and attended by the *lambardar*, I would go down the line and take down the names and the area of each man's share, his age, parentage and *got*.[2] This process would expose those who already had sufficient holdings or who had mortgaged a considerable share of their land, and these, too, were weeded out. The residue would be put down for a square each, with perhaps an extra square for the man who, by common consent, was named as the leading man of the *patti*[3]—the bell-wether, whose lead all would follow. Thus the original crowd of applicants would be reduced to a band of men all connected by common descent, all physically fit to take up a life in a new country under considerable difficulties, all hard up for land, but with sufficient resources to start them.'[4]

Objects of the Colonies

In the first selection of colonists Government had two main objects in view. Primarily, it was desired to relieve the pressure of population in the highly congested districts of the central Punjab, where conditions in the nineties were even worse than they are to-day. Secondly, it was designed 'to create villages of a type superior in comfort and civilization to anything which had previously existed in the Punjab'. Upon this two-fold basis arose the Lyallpur colony, which now embraces 2½ million acres. Subsequently a third object appeared. The South African War brought the needs of the army vividly to the fore. It was feared that, if ever India became involved in a great war, the supply of horse, mule and camel might fail. Accordingly, it was proposed that land should be given to those who would undertake to maintain mares or camels for breeding purposes. This object has been dominant in Shahpur and Montgomery, and in the former over 200,000 acres have been given out on horse-breeding conditions. Latterly the conditional grant has been developed even further, and is now applied to the most heterogeneous schemes, 'each devoted to one object dear to the heart of some particular department of Government'. Lands have been given for the growth of selected seed, for the breeding of special

[1] Clerk. [2] Family. [3] A division of the village.

[4] Memo. of the settlement officer, Amritsar (1893): see *Punjab Colony Manual*, vol. i, p. 33.

strains of cattle, for the supply of cantonments with milk or butter, for plantations and experiments in fruit farming, and even for the introduction of steam ploughs. The modern colony, therefore, is made not only to serve the primary needs of life, but also to supply the requirements of the army and to develop a higher standard of agriculture; and in the grants that have been made to societies for the depressed classes and criminal tribesmen there is even a hint of the reformatory. It is too soon to judge the results of most of these experiments. Some have led to hot controversy, and others, for example the grant of land for the breeding of camels, have definitely failed. In the Shahpur colony, which is based upon the horse-breeding grant, the grantees have been tied down to a system of primogeniture, which is entirely foreign to the Punjab and sometimes leads to the murder of the eldest son. More interesting from the economic point of view are the grants for agricultural development, but most of them are still in their infancy and have so far not had much effect.

Main Types of Colonists—the Peasant Proprietor

The rest of this chapter will deal mainly with the Lyallpur colony, which is both the largest and the oldest of the three major colonies. Embracing the whole of Lyallpur and a part of the district of Jhang, it has now a generation of history behind it, and is much the best field for the study of colony development. Results can be gauged, and they will be found to be of the highest interest, not only in their bearing upon the question of debt, but in the light they throw upon many of the problems of Indian rural economics. Broadly speaking, colonists fall into three categories, the small peasant proprietor who is given a square of land—in Shahpur he has been given two squares to enable him to maintain a brood mare—the yeoman farmer who receives four or five squares, and the landlord, the representative of the landed gentry, who may get anything from six to twenty squares. Of these the peasant proprietor is much the most important. He is the backbone of the colonies, as he is of the Punjab. In the Lyallpur colony he holds about 80 per cent of the land, and in Shahpur nearly as much.[1] In the latter he was recruited mainly

[1] In the Montgomery Colony, owing to a large number of miscellaneous grants, the percentage is only 59 (*Punjab Colony Manual*, 1922, p. 21).

from the northern districts, but in the former, as we have seen, almost entirely from the central Punjab. A colony could hardly have had better material, for Ludhiana, Jullundur and Amritsar represent the flower of Indian agriculture. They are the home of the Jat Sikh, who has been described as 'the most desirable of colonists'. It would be difficult to say which of the three has produced the best type: for industry and thrift, the Ludhiana Sikh is hard to beat, and the Sikh from Amritsar, though he may be spendthrift and violent, is unsurpassed as a cultivator. Grit, skill in farming and a fine physique are characteristics common to all, and in his new environment the Jat Sikh has reached a point of development probably beyond anything else of the kind in India. In less than a generation he has made the wilderness blossom like the rose. It is as if the energy of the virgin soil of the *Bar* had passed into his veins and made him almost a part of the forces of nature which he has conquered. The Arain, the prince of market-gardeners, is his only rival. As thrifty as he is prolific, from dawn till eve bent over cabbage and onion, able to draw a living from the tiniest plot, the Arain extracts, as we have seen, the last ounce of produce out of the soil. Lyallpur was remarkably fortunate in the selection of its colonists, and only the men of Sialkot have not entirely justified their choice. Litigious and extravagant by nature, they have not been able altogether to overcome the hereditary failings that have made their district one of the most indebted in the province. But even upon them the colony has had a bracing effect. It is one of the most marked features of a colony of this type that, in bringing together keen farmers from different areas, and in setting them down side by side under equal conditions and with precisely the same opportunities, it encourages a rivalry which is a powerful stimulus to agricultural development.

The other two classes of colonists, the yeoman and the landlord, have so far not done very well. In the case of the yeoman

The Yeoman and the Landlord

it was intended to attract the pick of the larger peasant proprietors, 'men who by their wealth, energy or ability had raised themselves above their fellows without ceasing to belong to the agricultural community', and whose credit and resources, it was hoped, would prove of value in the develop-

ment of an infant colony. This hope has not been fulfilled, partly because it was found impossible to insist upon residence, and partly because even the resident yeoman rarely attained to any leading position. Neighbours, comparing their single square with his four or five, were moved to jealousy rather than deference; nor, where hereditary ties are lacking, can leaders easily be imposed: they must gradually be evolved, and in a new country it is by character and capacity rather than mere hereditary advantage that men rise above their fellows.

Between yeoman and landlord the difference is more of degree than of kind. Both consider themselves superior to the peasant farmer, and both have more land than they can personally cultivate, the yeoman having at least 100 acres and the landlord two or three times as much. If, too, the yeoman has failed, the landlord has not done any better, being nearly always an absentee. At the outset it was thought that a moderate infusion of the capitalist element would strengthen the colony, not only by providing natural leaders for the new society, but also by bringing in men of superior intelligence and wider outlook than the ordinary peasant proprietor. Where, too, as in the Punjab, society is still semi-feudal in character, there were obvious advantages in propitiating the landed gentry with valuable grants of land; and the hope was cherished that it would do something to restore the influence of a class, which has been seriously impaired by recurring partitions of family estates and by the rise to power of a prosperous and educated middle class in the towns.

In the Lyallpur colony the landlord holds about 15 per cent of the land, which means, of course, that he forms a very much smaller proportion of the community. From the start he appears to have made an indifferent colonist. 'With very rare exceptions,' says an early report, 'the last thing which the capitalist or yeoman contemplates is the spending of any large sum of money on the development of his grant. . . . They bring their land much more slowly under cultivation, they quarrel with their sub-tenants, they dispute endlessly amongst themselves. . . . And it is impossible to get anything like the same amount of work out of them . . . as in the case of the peasant grantees.'[1] The experience of nearly thirty years

[1] *Report of the Colonization of the Rakh and Mian Ali Branches*, [illegible], p. 11.

is not much more favourable. The Colonies Committee of 1908 found experts agreed in their mistrust of the capitalist grant;[1] and in the Lyallpur colony of to-day few of the larger grantees reside on, and some never even visit, their estates. Agents are put in who think only of themselves and care little for their tenants. The latter are said to be 'migratory and discontented'. Large revenues are drawn without effort, and a class of idle rich, who keep motors and do no work, has sprung up at the expense of Government. Even in the youngest colony of all (Montgomery), a report speaks of tenants 'often miserably housed', of agents who are men of no standing, and of lands inadequately developed, in fact of all the evils of the absentee landlord. For the man who purchases his land in the open market—large areas have been set aside for sale by auction—there is a little more to be said. Though, like every other landlord, the auction purchaser is invariably an absentee and so 'of not the slightest use to the colony', at least he supervises his estates, as he would any other investment, and occasionally goes in for agricultural development, which a member of the landed gentry rarely attempts. Incidentally, too, with land selling at from £30 to £50 an acre, the auction sale brings in a rich revenue to Government, which in Montgomery alone is expected to total over a million pounds.[2]

Absenteeism

But revenue may be obtained at too great a cost, and if these auction sales bring in the absentee landlord in large numbers, the ultimate loss to the colony may be greater than the immediate gain to the exchequer. We shall do well to remember Professor Carver's dictum, that 'next to war, pestilence and famine, the worst thing that can happen to a rural community is absentee landlordism'.[3] As a French writer remarks, 'it is the scourge of large estates, as mortgage debt is the scourge of small'.[4] Of this Ireland is perhaps the most familiar, though by no means the only example. In Spain, especially in the south, large estates are in the hands of 'urbanised landlords', who entrust

[1] *Punjab Colony Manual*, vol. i, p. 37.
[2] *Punjab Colonies Report*, 1921, p. 25.
[3] *Principles of Rural Economics*, p. 377.
[4] *La Propriété Rurale en France*, 1902, p. 237.

their properties to contractors, whose only object is to squeeze all they can out of a rack-rented peasantry; and the system is said to be 'an important cause of the under-cultivation of Spain and of the poverty, unemployment and emigration of the peasants'.[1] Southern Italy and Sicily tell the same tale. Before the war, and conditions have not changed much since, absenteeism was almost general. With comparatively few exceptions, proprietors lived 'in the large cities, careless of how much their lands produced, concerned only that they might draw rents for which they had not laboured, and living in entire ignorance of the needs of the earth and of the peasants'.[2] Further east, in Roumania, the large landowner was if anything worse. Living in the town, he rarely took any part in the direction of his estates.[3] The result was a series of peasant revolts[4] and, after the war, an agrarian revolution which has transferred nearly 12 million acres from landlord to peasant.[5] The eventual result of absenteeism on a large scale is emigration, and all these countries are examples of this. The reason is clear: the absentee landlord is incompatible with good agriculture, and a rapidly increasing population is incompatible with bad. For the moment, thanks to its large tracts of still uncolonized land, this is not a problem that threatens the Punjab; but, as we shall see in the next chapter, the standard of living is rising and population is increasing, and it may not be very long before the one has to give way to the other, unless agriculture can be sufficiently developed to make production keep pace with both. In this difficult task it is for the canal colonies to take the lead, for nowhere else at present are conditions propitious to development. There is, therefore, a real danger in allowing the absentee landlord to gain a strong hold upon a colony. There are, of course, good landlords in every country,

[1] Irvine, op. cit., p. 101.

[2] *Inchiesta Parlementare sulle Condizioni dei Contadini nelle Province Meridionali e nella Sicilia*, 1911, vi (1), 169; see also iii (1), 19 and 154, v (1), 24, vii, 794 and viii, 17.

[3] I. L. Evans, *The Agrarian Revolution in Roumania*, 1924, p. 160.

[4] Viz., in 1888, 1889, 1894, 1900, and 1907 (Mitita Constantinesco, *L'Evolution de la Propriété Rurale et la Réforme Agraire en Roumanie*. 1925. p. 298).

[5] Evans, *ibid.*, pp. 111-15.

but it is hardly an exaggeration to say that as a class the landlord has only fully justified himself in two countries, Prussia and the United Kingdom;[1] and in neither has he been an absentee. It is significant, too, that neither country was touched by the agrarian revolution which swept over eastern and southern Europe after the war, and which everywhere did its best, often with violence, either to evict the landlord or to break up his estates.[2]

Possibilities of Landlord and Yeoman

So much by way of warning, and in view of early colony history it is not a warning that can be entirely neglected. If, however, the yeoman and landlord of the first generation have been a failure, it does not necessarily follow that the second generation will be equally bad. There is already a tendency, on the death of an original grantee, for one son to take the ancestral land of the family and for the other to settle down on the colony estate. If this is widely done, absenteeism will gradually disappear. Much good may even ensue, for there is no doubt that a community of small peasant proprietors is all the better for a sprinkling of bigger men. With the ever-recurring partitions of Indian law, it is only a matter of time before the original twenty-five acre holding shrinks to the five or six acres characteristic of the central Punjab, and as the holding shrinks the peasant's mind may shrink as well. The presence of the landlord, with his superior education and broader view, will then be more than ever necessary for the development of a healthy rural community. In eastern Europe, where, as in India, towns are few and conditions primitive, the estate of the resident landlord has frequently been a centre of enlightenment and advance, and it is even claimed that, like the monasteries in the dark ages, these estates have been the main civilizing influence upon the life of the people.[3] Whether this is so or

[1] For the work done by the Prussian Junker and the English landlord, respectively, see Clapham, *The Economic Development of France and Germany, 1815-1914*, pp. 47 and 206, and Curtler, op. cit., pp. 320-22.

[2] A good check upon absenteeism might be to double or treble the land revenue of all absentee landlords. In Roumania, landlords residing abroad were heavily taxed before the war (Gide, *Political Economy*, p. 722).

[3] See an article by L. B. Namier in the *Manchester Guardian*, 'Commercial Reconstruction in Europe', 17 August, 1922.

not, it is evident that a man, 'whose talk is only of bullocks', is not likely to be a good pioneer of progress, but requires the example and guidance of men whose interests extend beyond the limits of a single village. Professor Max Sering, the great authority on German agriculture, told the writer that he considered the ideal condition for agricultural progress was to have the large and small landholder side by side, the former to make experiments and the latter to apply them. This view is endorsed by the experience of Lyallpur, where it has been found that the small farmer will not take the risk of experiment or change, as his very existence depends upon his land. On the other hand, the large landlord has so far not proved himself to be any better, for, having plenty of land and having acquired it with ease, he rarely bothers about its development.

From this point of view the most promising element hitherto has been the resident yeoman. Many of these cultivate their land themselves, and when they do this, there is no better medium for the spread of agricultural progress. I recently visited the property of one of them near Lyallpur. The owner, a Sikh, had received a grant of 150 acres, and as a result of many years of sustained hard work, even to the point of occasionally weeding the fields himself, and of close personal supervision of his Christian tenants, he had been able to build a large two-storeyed country house at a cost of Rs. 15,000, and had surrounded it with a sixteen-acre garden well stocked with fruit trees now fully grown. Part of his house was furnished in English style, with arm-chairs in the reception rooms, *namdas*[1] and *durries*[2] on the floor, and colour-wash on the walls: even the iron girders that supported the roof were painted pale blue. He drives to market in his *tonga*,[3] and is the first agriculturist to have the telephone in his house. Less than half a mile away is a collection of mud hovels with dilapidated walls, marking the estate of a neighbour who received a precisely similar grant, but on the strength of it took to idleness and drink. That is the other side of the picture, and shows the importance of choosing colonists with care.

There is one possible substitute for both landlord and yeoman, namely the co-operative farm, which has reached a high

[1] Woollen rugs. [2] Cotton carpets. [3] The Indian cab.

pitch of development in Italy. A society is formed to take up land for its members to cultivate either collectively, in which case the produce is pooled, or individually, in which case each receives a separate holding. In the former case, the society farms the land itself and its members are nothing but labourers; in the latter, the members are the society's tenants, and, subject to its general control, can cultivate their holdings as they please. This is the form best suited to the colonies, and five societies of the kind have recently been launched in Montgomery. Each society has been given from 300 to 1,000 acres for distribution to its members, and, so far as Government is concerned, the society is responsible for the observation of all obligations attaching to a colony grant. Towards its members it stands in the relation of landlord to tenant; and the importance of this lies in the fact that, whereas the best of landlords is obliged occasionally to think of himself, a good society will think only of its members. Their welfare and the development of their resources is its only care, and all its energies are bent upon teaching them the most skilful use of their land. In Italy, facilities are always given for the purchase of professional requirements and often for the sale of produce; and in the best societies education and amusement are also provided. Some have even built theatres for the recreation of their members. As such they are a civilizing influence, and not simply a means of material enrichment. But even without the co-operative farm a wide diffusion of other forms of co-operative enterprise, such as is now taking place throughout the Punjab, with the powerful stimulus that all genuine co-operation brings to mind, effort and character, may do much to render the landlord superfluous; and, unless the latter mends his ways and makes his estate what it ought to be, a centre of education and progress, it may be necessary seriously to consider whether he should be given any place at all in the colony of the future.

The Co-operative Farm

The colony is in itself a civilizing influence of the greatest importance, as may be seen from the effect it has had upon the aboriginal Jangli, who has been converted from a lawless nomad, into an industrious agriculturist. The Janglis are the indigenous inhabitants of the tract, and only thirty years ago roamed at will from the Jhelum to the

The Janglis

Sutlej. Akin to the people who were described in the last chapter, but wilder and more nomadic, delighting in the strength of horse and camel rather than in the labour of plough and sickle, in habit shepherds and graziers dashed with sportsman and freebooter, stalwart in physique and wedded to women of uncommon strength and beauty, 'holding all peaceful pursuits in unaffected contempt', but acknowledging, like all primitive people, the paramount claims of hospitality, 'their reclamation', says one who knows them well, 'is an achievement of the first magnitude'.[1] A visit to one of their villages will show what is meant. The one that it is proposed to describe consists of forty houses, divided into four blocks by two broad lanes forming a cross and meeting at the well in the centre of the village. Close to the well is a half-finished mosque, on which Rs. 2,000 has already been spent. At the entrance to the village is a fine open enclosure with a thatched shelter, where guest and traveller are put up for the night. Here a wooden bed is produced and spread with a rug, and, as we sit down, talk begins and past and present are compared. The village is thirty-three years old, and there are many there who remember the days when no one thought of wearing anything but a skirt (*lungi*) and a pugaree. The shirt was unknown. Now out of the score of people present there are only four who do not wear some machine-made cloth, and all boast shirt, waistcoat, *chaddar*[2] and coat. In old days men had to be content with two meals a day; now they have three.[3] The thatched huts of their fathers, that would be moved with every change of encampment, are replaced by clean mud-plastered houses, and the *lambardar*, to mark his position, has a verandah supported on masonry pillars. Formerly only two or three could afford a horse; now it is the exception not to have one. 'And how do they spend their money?' I enquired. The reply was significant. A marriage now costs Rs. 1,250 against Rs. 50 or Rs. 60 a generation ago. Indeed, one old man said that his marriage had cost him

[1] B. H. Dobson, *Chenab Colony Settlement Report*, 1915, p. 45.

[2] Shawl.

[3] It was estimated in the seventies that a Jangli consumed only one-third of the quantity of food-grain eaten by the ordinary cultivator, milk being almost the staple food of the area.—*Jhang S.R.*, 1874–80, p. 57.

nothing at all. Now, too, they marry at 14 or 15 instead of at 30 to 35.'[1] Marriages, therefore, are not only far more expensive but twice as frequent. Remembering the condition of the nomad in a hot and barren country, one could not fail to be struck by the look of clean, simple comfort which pervaded the village. Yet there was never a word of thanks to the *Sirkar* for what had been done, but only complaints. The land, they said, was not enough for their children. In the old days the whole country was theirs; but now only 100 acres or so round the village. Before the canal came, their cattle could roam as they pleased; but now, if their cattle strayed out of sight, as likely as not they would be caught and shut up in the pound. Finally, in those days there was no land revenue to pay and everything was cheap. Of such stuff is the gratitude of man; yet, as one old grey-beard said, 'in the old days we were as the beasts of the field, roaming to and fro; now we cultivate our own land and in this our *izzat* is increased'. With this increase of *izzat* has come a feeling of pride, rarely to be found in the nomad; and one or two, who used to go about in rags leading a string of camels, are now thinking of sending their sons to England. The change from thirty years ago is profound, but the process of reclamation is not yet complete. In Shahpur, development has been hampered by the original grants of land (12½ acres) proving insufficient for so prolific a race. Even in Lyallpur, they are said to be 'still prone to cattle theft and burglary', and in the art of agriculture they lag far behind their alien neighbours. On the other hand, they have one advantage derived from the old, careless, nomad life, for, caring little for gold, they are entirely free from the money-getting propensity of the immigrant.

Debt in the Colonies

The four chief classes to be found in a canal colony—the peasant proprietor, the yeoman, the landlord and the Jangli—have now been described, and it is time to consider the economic conditions under which they live, and, if possible, to gauge how far these conditions differ from those prevailing in the rest of the province. The subject will be treated under three main heads, namely, debt, the standard of living, and agricultural progress, all of which are intimately connected. Of these three debt will

[1] See *Chenab Colony Gaz.*, p. 48.

be considered first, and in no respect is the superior position of a canal colony more unmistakably evident, as the following figures show :—

Colony	Colonists	Percentage free of debt	Average debt per *indebted* colonist	Debt's multiple of land revenue
			Rs.	
Lyallpur ...	2,219	22	793	5
Shahpur ...	1,272	34	570	3
Average ...	...	26	726	4

The most significant of these figures is the last, which shows that debt is only four times the land revenue. Compare this with the multiple of 24 for the central Punjab, from which most of the Lyallpur colonists hail. The difference is remarkable, and, if, as before, we examine the figures of the official enquiry into mortgage debt, we shall find the same striking contrast. In Lyallpur, for instance, mortgage debt amounts to 55 lakhs. If we multiply this by four, the proportion given by my enquiry, the *total debt of the district comes to* 220 lakhs (*nearly* £1,500,000), which is only three and a half times the land revenue. This is even less than the multiple given above; and, even if we take the latter, it is much lower than anything we have found elsewhere. In Rawalpindi the multiple was eight, and in every other district examined it was over ten, while in ten districts it exceeded twenty. It is impossible to apply the same test to other colony areas, as the acquisition of proprietary rights, without which there can be no mortgage, is still far from complete and in some places has barely begun. At the same time it is significant that, in five out of the eight[1] colony tehsils outside the Lyallpur colony, mortgage debt is less than half the land revenue. Only in the Chunian tehsil of Lahore, where there is a small but old-established colony, is it considerably higher; and even there it is far less than in the other two tehsils of the same district, the multiple being only four as

[1] The five tehsils are Khangah Dogran, Sargodha, Montgomery, Okara and Khanewal.

against eighteen in the latter. It may, therefore, safely be stated that indebtedness in the colonies in proportion to resources is much lighter than in any other part of the province. It is true that the number of those entirely free of debt (26 per cent) is less than the percentage in Jullundur (27) and Hoshiarpur (30), and that average debt (Rs. 726) is higher than in either of those two districts. The explanation of this is that in the colonies the peasant proprietor's holding may be anything from ten to twenty-five acres, and that, to bring and maintain this under cultivation, far more capital is required than in an ordinary district, where land has been cultivated for generations and where the holding rarely exceeds six or seven acres. Considering this, it is surprising to find that so many colonists are not in debt at all, for it must be rare for a peasant proprietor to start life in a colony without having to borrow. To bring the virgin soil of the *Bar* under cultivation, to clear, level and embank a square of 25 acres, to find the three or four bullocks required for draught, and to purchase the timber needed for the new homestead, can hardly cost less than Rs. 1,000; and before the whole farm is in proper trim, a man may very well have to spend twice as much. If then there is a succession of poor harvests, it may be difficult to escape from the hands of the money-lender.

Difficulties of the Montgomery colonist

The infant colony of Montgomery is a good instance of the financial difficulties that may beset the early colonist. When he arrived there, he had to cope with the rise in prices due to the war, and, owing to a shortage of rain two years running—even in a canal colony rain is important—he was unable to get the full counterbalancing benefit in the sale of his produce, as there was comparatively little to sell. Large sums have, therefore, been borrowed, and owing to the prevailing scarcity of money this could only be done at from 18 to 25 per cent, rates which are almost prohibitive to agricultural development. The result is a considerable amount of debt, which, however, should not be permanent. A good harvest or two, especially if cotton does well in yield and price,[1] will soon put the colonist on to his legs again. One reason for this is that the bulk of his debt is productive, and there is a world of difference between pro-

[1] In 1926–27 there was a sharp fall.

ductive and unproductive debt. The one fertilizes, the other waterlogs the soil. From the one springs the crop by which debt can be repaid; from the other half the ills that shackle both body and mind. This, as much as anything else, differentiates debt in the colonies from debt elsewhere. Ordinarily it may be doubted whether even 25 per cent of Indian rural debt is productive. In the colonies it is probably the other way round.

Causes of Debt

The reasons for the lightness of debt in the colonies must now be considered, and the enquiry will be found to throw considerable light upon the causes of debt. Our analysis of the latter suggests that there are four basic factors which compel the peasant proprietor to borrow :—

1. The smallness of the ordinary holding and its grotesque fragmentation.

2. The profound insecurity of agricultural conditions in a considerable part of the province combined with general improvidence.

3. The constantly recurring losses of cattle from disease or drought.

4. Extravagant expenditure upon marriages and domestic ceremonial.

In addition there are two causes which facilitate borrowing, namely, facile credit and a vicious system of money-lending, both of which will be discussed in subsequent chapters. Now, if our analysis of the causes of debt is correct, we should expect to find most of these factors operating with less force in the colonies than elsewhere. Let us see if this is the case.

Holdings in the Colonies—their Size

Take the question of holdings first. One of the most striking points of contrast between a colony and an ordinary district is the size and form of their holdings. In an ordinary district, the average is almost invariably less than ten acres. There are only five non-colony districts in which it is more,[1] and in four, Kangra, Hoshiarpur, Jullundur and Rawalpindi, it is less than five. On the other hand, in a colony no peasant proprietor ever starts with less than 12½ acres, and in Shahpur he started with fifty or more. In 1924, after a whole generation,

[1] viz., Hissar, Ferozepore, Gujranwala, Attock and Multan.

the average in Lyallpur was still eighteen acres.[1] It is reckoned that, to live with his family in some measure of comfort, an arable farmer in the Punjab requires from ten to fifteen acres of irrigated land.[2] It can, therefore, be understood that life on six or seven acres, not all of which is necessarily irrigated, is a continuous struggle with nature, and that if there is no other source of income, such as military service or labour abroad, the struggle inevitably ends in the clutches of the money-lender. If anything at all has been established by this enquiry, it is the fact that only by incessant labour and great frugality or by having a second string to his bow or by intensive cultivation, can the small holder keep out of debt; of the truth of which the colonist with his substantial holding and marked prosperity is indirectly a striking example.

Their Compactness

The colonist has another conspicuous advantage. His holding is compact: everyone receives a single field and no more. We have only to recall the Jullundur village, whose 12,800 acres are split up into 63,000 fields, to realize the significance of this. Throughout the central Punjab, and only in lesser degree throughout the province, the fragmentation of holdings adds infinitely to the difficulties of the small holder; so much so that, of all the advantages conferred by a colony, it may be doubted whether any is greater than the blessing of the single field. With a single field, a man can look after his crop in a way that is impossible with an indefinite number of strips scattered round the village; and being able to look after it better, he can grow more valuable crops, as the more valuable the crop the more attention it needs. On the other hand, with scattered fields any improvement in cropping is always a difficulty, for by custom the village cattle are turned on to the stubble as soon as the crops are cut, a practice that does no one any harm as long as everyone grows the same crops and harvests them at the same time. But if anyone introduces a new crop or an improved rotation, he may find his neighbour's cattle straying over his fields before the latter are cut; and if he drives them off, others may object to his cattle grazing on their fields. Another disadvantage of the

[1] Information obtained locally.

[2] See the author's article on *The Economic Holding* in *The Agricultural Journal of India*, November, 1927.

scattered holdings is that, when anyone wants to sink a well, he may have to persuade a dozen neighbours or more, whose fields surround the spot, to join in the scheme. With a single field he need only consult himself, and in general the distribution of water, whether from canal or well, is in every way cheaper and simpler. Other advantages of the single field are that better implements can be used—in the central Punjab there are many fields in which the large Raja plough cannot even be turned—and with better implements, labour, now much dearer than it was, can be saved. If desired, too, cartloads of manure can be taken to any part of the farm, as every field abuts on a road, a thing which is obviously impossible where fields are numbered in thousands. Finally, where fields are compact, there will be fewer disputes, as the innumerable thin dividing lines of an ordinary village are replaced by a few clear boundaries that no one can quarrel about. To a profoundly litigious people this is perhaps the greatest benefit of all; and so much are all these benefits worth, that in Shahpur, where the new and the old systems exist side by side, cash rents in villages with compact holdings are considerably higher than in villages where the holdings are split up.[1]

Effect of High Prices

A good-sized, compact holding is perhaps the greatest advantage that colonists have over their cousins elsewhere, and it is an advantage that high prices have emphasized to the full.[2] 'He that hath, to him shall be given : and he that hath not, from him shall be taken even that which he hath,' is as true of farming as of every other form of business. To the holder of five or six acres high prices have probably been a drawback, as he rarely has more to sell than to buy—the point is a controversial one and is discussed elsewhere;[3] but they have certainly enriched the

[1] Cash rents in colony villages are 50 per cent higher than those in the old proprietary estates along the Lower Jhelum Canal. This is due (*a*) to the compact holdings of the former and (*b*) to the indigenous inhabitant of the latter not having the skill and business capacity of the immigrant colonist. If we assume these two factors to be of equal value, the increase due to (*a*) will be 25 per cent.

[2] In certain non-colony areas the grant of canal water to a village was made conditional upon holdings being partially consolidated.

[3] P. 244

colonist, for, thanks to the size of his holding, he has always much more to sell than to buy, and it is the margin between purchase and sale that makes high prices a boon or a bane. In the ten years ending 1920, prices in the colonies rose 55 per cent,[1] and as the total value of their produce in 1921-22 was about £20,000,000 (30 crores), this meant a windfall of £7,000,000 to the colonist. How much of this represented an increase in net profit it is impossible to say, but it can hardly have been less than three or four million pounds. In 1920, in sympathy with the rise in prices, land touched over Rs. 1,200 (£80) an acre.[2] This was no doubt a fancy price, but even in Shahpur and Montgomery, where the land is less good than in Lyallpur, the average price paid that year was just under Rs. 600 (£40) an acre.[3] When we consider that the Lyallpur colonists have been allowed to acquire proprietary rights in their holdings at only Rs. 12-8 an acre, the wealth of the colony is perhaps explained.[4] The concession, which is probably the most prodigally generous thing ever done by Government, means a present in capital value of at least £20,000,000 to the colonist. If we need any further evidence of his advantageous position and of the large profits to be made by farming in the colonies, we may cite the case in which, after paying Government a rent of Rs. 54,000[5] for a village of about 2,000 acres, the lessee was able to clear Rs. 40,000 in a single year. It would be difficult to find a better example of the effect of high prices; at the same time it should not be forgotten that this effect would have been far less, but for the size and shape of the colony holdings and for the almost complete security of the water supply.[6]

[1] *Jhang Branch S.R.*, 1921, p. 8.

[2] Rs. 34,000 was obtained per square of 27·8 acres.

[3] The actual averages were Rs. 599 for Shahpur and Rs. 593 for Montgomery. See *Punjab Colonies Report*, 1921, pp. 26, 28.

[4] In Lyallpur, Rs. 500 an acre is an ordinary price and in good villages it rises to Rs. 1,000 (*Gugera Branch A.R.*, 1922, p. 10) : in 1924, over 10,000 acres sold at an average price of Rs. 695 per acre. In the Montgomery colony, peasant grantees have to pay Rs. 100 per acre for proprietary rights (*Punjab Colonies Report*, 1924, pp. 14, 51).

[5] This includes water rate as well as actual rent.

[6] Prices of agricultural produce (except cotton) touched their highest level in 1921, fell sharply in 1922, remained more or less stationary in 1923-24, and began to rise again in 1924-25 (*Punjab Season and Crops Report*, 1924-25, p. 2).

The enjoyment of an assured supply of water is perhaps the most obvious point of contrast between a canal colony and an ordinary district. It is not, however, so complete a differentiation as the holding, for nowhere outside a colony, nowhere indeed in India, do we find the same system of large compact holdings; whereas there are a few districts, for instance Amritsar, where the supply of water has been more or less secured by a combination of canal and well. Even in a colony, too, the vagaries of the rainfall cannot be ignored, for the distribution of canal water always assumes that the rainfall will be average, and its failure may therefore make all the difference between a sixteen and an eight anna crop. Thus, if a large measure of security is sometimes found outside the colonies, they themselves contain an element of insecurity. But, broadly speaking, the colonies are secure and most of the rest of the Punjab insecure. When this insecurity reaches the pitch described in the last chapter, it has a demoralizing effect upon agriculture and is an undoubted cause of debt. Contrariwise, the security that the colonists enjoy is an important cause of their comparative freedom from debt. Everywhere else the harvest may fail, but in the colonies the fields will always be sown and there will always be something to take to market; and, even when this is less than usual, the higher prices that come with general scarcity do much to redress the balance.

Agricultural Security

We have stated above that it is the combination of insecurity and improvidence that is one of the four basic causes of debt. In a hot country the two are intimately connected, for insecurity makes cultivation a gamble in rain and gambling inevitably produces the gambler's habits. If this view is correct, we should expect to find less improvidence in the colonies than elsewhere. It is generally agreed that this is the case, and the following is a good example of the difference. A colonist, returning to his home in Jullundur with Rs. 2,000 in his pocket, wanted to deposit it with his village bank at the usual rate of 6 per cent. The bank, however, afraid of so large a deposit, would only take Rs. 1,000, and advised the colonist to deposit the rest with the local central bank. To this he demurred on the ground that the latter would only give him 5 per cent, and he added that

The Growth of Thrift

the difference of 1 per cent would pay for his railway ticket to Lyallpur and back. This trifling incident is eloquent of the change that has come over the mind of the agriculturist in the last thirty years. A generation ago it would have been impossible, but now there are thousands of colonists who deposit their savings with either bania or bank. The Lyallpur Central Co-operative Bank alone has sixteen lakhs in deposit. Moreover, throughout the Lyallpur colony the cultivator has begun to hold up part of his produce on the chance of a rise in the market. For the first time in his history the Punjab peasant has begun to look ahead.

Remaining Causes of Debt

Of the remaining causes of debt not much need be said. Cattle, of course, die unexpectedly in a colony as everywhere else, but the heavy mortality from drought, a constant nightmare in the southern Punjab, is happily impossible where irrigation is assured; nor, in the dry healthy atmosphere of the rainless *Bar*, is cattle disease as serious a menace as in the rain-drenched tract at the foot of the hills. On the other hand, expenditure upon marriages is much the same as in the central Punjab. This is natural, as most of the colonists come from there, and in all social concerns every colonist still belongs to his original district. In a colony, too, the scarcity of women is at its worst, and, money being plentiful, brides are correspondingly dear.[1] For a Sikh the price will rarely be less than Rs. 2,000, and the marriage itself may cost half as much again. In Montgomery many who went single are now in a position to purchase a wife, and an increase in the number of marriages is said to be the most obvious effect of the colony's prosperity. In this way, the colonies with their brisk demand for brides have undoubtedly raised the cost of marriage for the whole of the central Punjab, and in doing so they have accentuated an important cause of debt. In every other respect, however, the reverse is the case, and a significant instance of this is the money-lender, who is less powerful in Lyallpur than anywhere else. Village banks, education, and prosperity have all undermined his influence, and, though still a danger, he is no longer a blight on the countryside.

[1] In Lyallpur there are only 792 females per 1,000 males, against an provincial average of 828 (*Punjab Census Report*, 1921, p. 235).

Thus our examination of colony conditions shows not only that debt is light, but also that most of the factors diagnosed as causes of debt are correspondingly weak. This encourages the hope that the main causes of debt have been correctly gauged. We have now sketched the main economic features of the colonies, and we have seen how a vast waste of nearly 5,000,000 acres has been converted into the most thriving rural community in India. 'God has said,' so runs one Akbar's *Sanads*,[1] 'from water all things are made. I consequently ordain that this jungle, in which subsistence is obtained with thirst, be converted into a place of comfort.' How comfortable the colonies have become we shall see in the next chapter.

[1] Title-deeds.

CHAPTER VIII

THE RISE IN THE STANDARD OF LIVING

THE Lyallpur colony is the richest tract in India, perhaps even in Asia. To a large extent this prosperity is a windfall.

Its Importance

But for the canals the tract would have remained a waste; but for high prices the profits of the last ten years would have been markedly less; and but for the generosity of Government, the land, which is now worth at least Rs. 500 an acre, could never have been acquired at a nominal price. On the other hand, without the resolution, industry and skill of the first settlers, the 2½ million acres that form the colony could never have been turned into one of the granaries of the world. The colony thus offers a remarkable example of the beneficence of a wise Government turned to admirable account by the labour of a hard-working peasantry.

It is now proposed briefly to examine the use that the colonist is making of his prosperity, and in doing so to glance at the rise in the rural standard of living that has taken place through most of the province in the last twenty or thirty years. The subject is of importance, since, when a standard of living has been stabilized for centuries, a sudden rise is likely to have far-reaching effects. Dormant forces are awakened and the competitive struggle for life begins: those who fare badly envy those who do well, and those who do well are dissatisfied that they do not do better. Discontent (sometimes called divine) is liable to become general, and if it coincides with political change, the new wine may burst the old bottles. Below a certain standard of living men tend to be inarticulate, but once they rise above this point they not only feel but assert their grievances. The history of the peasant in Germany and France contains more than one warning of this. For instance, the German Peasants' War of 1524 took place, not in the north and east, where the peasants were little better than serfs, but in the west and south, where

they were 'accustomed to well-being and where their holdings were thick on the ground'.[1] In the Punjab, we have recently had a hint of a similar possibility in the Sikh Babbar Akali movement, with its outbreak of lawlessness in the more prosperous central districts. It may be guessed that the ex-soldiers and returned emigrants who mainly supported this movement were discontented because, with only a few acres each, they found it difficult to gratify the new tastes acquired abroad or during the war. A less alarming but equally significant feature in the same area is the eagerness to emigrate displayed by thousands in the central districts, which is mainly due to the fact that, as the standard of living rises, population is increasing and holdings shrinking. From every point of view, therefore, the rise in the standard of living is of importance.

The Old Standard

Before describing things as they are to-day, a word must be said about the past. We have already seen how the Janglis lived a generation ago and how men still live in the western Punjab. Sixty or seventy years back most of the province was no better off, and all a man's desires might be summed up in the words of the Karnal villager: 'Let me see ten good oxen and ten maunds of mixed grain, the milk of a buffalo and some sugar to stir into it, and a fair assessment after harvest: God give me so much, and I won't say another word'.[2] In those days few cultivators had more than two meals a day, and for the most part life was sustained on cakes of flour made of wheat or millet, flavoured with turnip, onion or melon (according to the season), and washed down with buttermilk. Dress, too, was of the simplest, and of a comparatively prosperous district like Sialkot we read that 'a *langottee* of white or blue cloth round the loins, a scarf over the shoulder, a pugaree of limited dimensions and a pair of shoes compose the daily suit of the majority'.[3] The *kurta*, or shirt, which everyone wears to-day, is not even mentioned. Much the same is true of Ambala further south. 'The dress of the men consists of a turban, a *dhoti* or cloth fastened round the waist and drawn up between the legs, shoes, and in the cold weather a sheet or counterpane stuffed with cotton.

[1] Irvine, op. cit., p. 78. [2] *Karnal S.R.*, 1883, p. 138.
[3] *Sialkot S.R.*, 1865, p. 19.

Only a few of the better dressed men wear the jacket or coat so common in other provinces."[1]

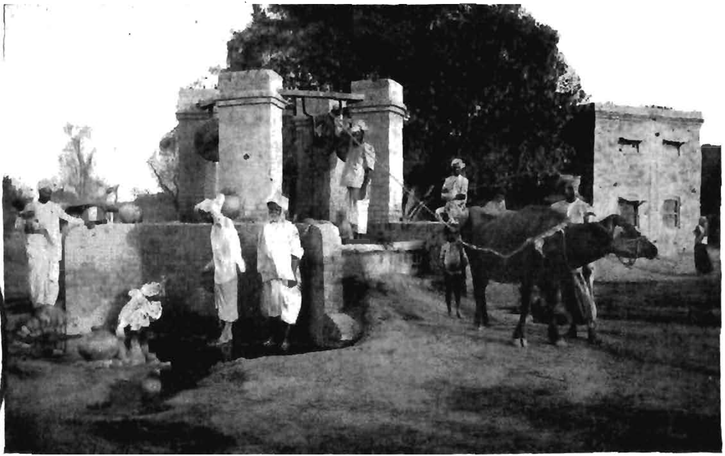
Once the poorest province in India, the Punjab is now probably the richest. The quickest way to realize this is to visit a thriving colony village. Round Lyallpur few can be better off than Chak 208,[2] where the Ludhiana Sikh may be seen at his best. It is early spring, and we approach it through fields of young wheat stretching away to the horizon in a sea of green, splashed with the brilliant yellow of the mustard flower and broken by islets of sugar-cane. A track just broad enough for a bullock cart takes us through a young orchard, and a moment later we are walking down one of the two main streets of the village, with high, clean mud-plastered walls on either side; and, as we pass, we catch glimpses, through noble gateways, of roomy courtyards full of children and cattle. As in the Jangli village already described, the two streets form a cross, meeting at the village well in the centre, and instead of the usual crooked ten-foot lane they are forty feet wide, and run straight from end to end, so that in the stifling heat of summer the slightest breeze finds its way into the heart of the village. The well where they meet has an imposing masonry crown, fitted with cisterns and taps which are kept running for three hours every morning. A water-carrier is employed with his buffalo for the purpose, and at harvest time, after the simple manner of the country, each villager gives him 32 lbs. of grain for every water-pot in daily use. The saving of time and trouble is immense, for it is a tedious business to draw water every day for the whole family from a depth of fifty or sixty feet. Another good instance of the spontaneous co-operative effort, which is characteristic of Indian village life, is the building of a fine red brick *gurdwara*,[3] at a cost of Rs. 3,000 (£200), where the Sikh Bible, the *Granth Sahib*, is housed in a spacious room, 35 feet long, the floor of which is covered with excellent matting made in the local jail. If there is a wedding with many guests, the *Granth Sahib* accommodatingly makes

A Prosperous Colony Village

[1] *Ambala Revised S.R.*, 1853, p. 87.

[2] Every village in the colonies has a number instead of a name. Shades of our ancestors, who gave every wood, field and hill in England its appropriate name!

[3] Sikh shrine.



THE VILLAGE WELL—CHAK 208

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way for them and remains in a smaller room till they depart. The head of the village is the *saildar*,[1] who, with his 200 acres, which he farms himself, is something of a landlord. His style of living is very different from anything that could have been found thirty years ago. Instead of the usual mud-plaster, his house is made entirely of brick and has an imposing gateway, vestibule and porch, all in one, supported on iron girders brought from Karachi, and fitted throughout with well-seasoned timber felled in the distant hills. On either side of the porch is a good-sized room for guests, and in his own room are comfortable English chairs, a duplex lamp, hat pegs, and even a set of account books. When he lived in Ludhiana, he never kept accounts, but now that he has to farm 200 acres he cannot get on without them. It is rare in the Punjab to find a man farming more than fifty acres himself, and in this case most people would have put in tenants. But, instead of this, he associates with himself a number of cultivators, who each get one-ninth of the produce of the area they cultivate. He has thus been able to reap the full benefit of the high prices, and the simple yet ample comfort in which he lives is the result.

As everywhere in the colony, wheat, cotton and sugar-cane are the chief crops.[2] Over 2,000 acres are under cultivation, and the area is distributed amongst 89 families, who (excluding the *saildar*) cultivate an average of 22 acres apiece.[3] Compare this with the five- or six-acre average of the central Punjab. Moreover, when an owner dies, his land is not cut into strips varying with the quality of the soil, but is divided into no more fields than there are heirs. There are ten *pukka* houses in the village, and even those made of mud and plaster look unusually well built.

The only person in debt to the village bank—co-operation is well established—was a man who had recently borrowed Rs. 600 for a wedding. Everyone I saw was well clothed, and three meals a day with an abundance of milk—a large number of

[1] The headman of a group of villages.

[2] 44 per cent of the Chenab Colony is under wheat and 8 per cent under cotton.

[3] The average holding for the district is 18 acres (p. 148). The village is, therefore, fairly typical. Its total area is 2,611 acres, of which 386 are pasture, 50 are village roads, and 39 are occupied by the village.

buffaloes are kept—is said to be the rule. Meat, though not eaten every day, is common enough. Relative to their needs, these villagers are probably better off than most peasants in southern Europe. Even the labourers are prosperous. In the western Punjab, we saw that Rs. 6 a month, with a blanket and a pair of shoes at the end of the year, was all that a man could expect. Here, and in the colony generally, he gets nearly twice that amount and food and clothing as well; and if he is sufficiently skilled to work in a garden, he may get as much as eighteen or twenty rupees a month. Hours of labour, too, are less exacting, and better work is done in consequence. A marked improvement in the condition of the labourer, both in housing and food, is reported from most parts of the province, and is one of the most satisfactory features of the rise in the standard of living.

All through the village there is an atmosphere of development. Already one of the new generation has matriculated, and four more have been in for the examination, though without success. The school is well attended and is an integral part of the village. Agriculturally there is every sign of progress. Good seed is obtained from the farm at Lyallpur, and a large number of modern implements are in use, including, it is said, five chaff-cutters, fourteen reaping machines and fifteen bar-harrows, which, as we shall see in the next chapter, is far above the average. Four of the reaping machines have been purchased by groups of villagers acting together, as they cost more than the ordinary proprietor can afford. A pleasant sight are the young orchard gardens springing up round the village, with their promise of oranges, bananas and loquats. The taste for gardens is spreading and is in part a result of the war, when many a Punjabi enjoyed the luscious fruit of France. Less attractive, but possibly more useful, is the flour mill, with a hiccuping oil engine run by the local blacksmith. Costing from Rs. 1,500 to Rs. 2,000 these mills are now to be found all over the colony, and everywhere the air is full of their hiccups. As I was leaving the village, an old zemindar begged me to remove the one there, as it kept him awake at night, and the smoke—he slept on the roof—was ruining his eyes. He was too old (and perhaps too wise) to be willing to pay the price demanded by 'progress' in a mechanical age even for the smallest advance.

As in the Jangli villages, there was not a word of gratitude to Government. On the contrary, people said:—'Look how Government has scored; the district used to pay a lakh of land revenue and now it pays a crore'. They evidently thought that Government, like an old-fashioned raja, put the whole amount into its pocket. The attitude is characteristic of the times, and recalls the age at which the adolescent boy is tempted to deny all obligation to his parents. It contains, too, a hint of the discontent which, as we have already remarked, is apt to accompany a rise in the standard of living. As long as life continues unchanged, it occurs to no one to complain—I heard more complaints in the prosperous canal colonies than in the impoverished western Punjab—but once change begins, people cannot bear it to stop, and, if it stops to their disadvantage, Government is invariably blamed. Already people are beginning to regard it as a grievance that Government does not give them more land.

The Rise in the Standard of Living in the Colonies

This village represents the high-water mark of rural comfort and development in the Punjab. That is why it has been described at length. At the same time it is by no means an isolated case. There are hundreds of villages as prosperous, though few quite as progressive. Everywhere in the colonies brick houses abound and luxuries, unknown not many years back, are fast coming in. A rug now often covers the *charpoy*;[1] on the floor a well-woven *durrie* takes the place of the old dirty matting, and, if a man has plenty of land, a punkha goes up overhead. Since the war, too, when men had to travel far and wide, has come a taste for travel. The villager may now be seen going off to view the sights of Delhi and Agra, and the beauties of Kashmir. Some even will go as far as Bombay. When, after the war, cloth touched a fabulous price, a large number of co-operative societies joined together to purchase it direct from Bombay, and half a dozen of their members, ordinary cultivators, went off there for the purpose. On the whole, however, wants are still simple enough: a good house, a mare, occasionally a wife, and above all land, are the main objects for which the cultivator desires wealth. Amongst the

Sikhs a good deal is spent upon drink, a point that is made against them by a local poet in a popular ballad :—

> 'To the Sikh have been given lands,
> But now up to their ankles in poverty
> Lo! they prosper before mine eyes,
> Drink wine and roam with curled moustaches.'

The Sikhs' love of drink is notorious. To some extent it is due to the fact that they work harder than anyone else, and hard work requires a stimulant. Drink is not, therefore, the demoralizing influence that it is in Ferozepore and Kasur. A healthy public opinion, lacking in the latter, helps to keep it within bounds, and some classes when they come to the colony even become more sober. Money is wasted, of course, in the colonies as everywhere else, and in the year or two after the war, when silver at least was nothing accounted of, there was much extravagance. Thus, in a report of that time we read of a number of colonists subscribing together to get dancing-girls from Sialkot, to celebrate the wedding of a pair who could not afford to do it themselves.[1] But it is a sign of the times that with most the nautch is no longer considered an indispensable part of a wedding, and even the extravagant Sialkotis are giving it up. A main reason for all this is the spread of education. In the Lyallpur colony there is almost a thirst for it, and that it is no mere desire for Government service is shown by the fact that, with the full consent of the people, compulsory education has been started in selected areas, both in Lyallpur and Shahpur, an example which is being widely followed elsewhere.[2]

The Rise Outside the Colonies

The influence of the colonies upon the province can hardly be exaggerated. It is not for nothing that Lyallpur is the daughter of the central Punjab, as Shahpur is of the north and of the west. From Amritsar alone over 100,000 have migrated to the *Bar*; and in all the surrounding districts, if a cultivator has a *pukka* house, or better cattle than his neighbours, or a deposit in his village bank, or is using improved seed, it is ten to one that he has colony ties or has made money abroad. Even before

[1] *Punjab Colonies Report*, 1921, p. 16.
[2] In April 1927, compulsion was in force in 48 urban and 784 rural areas.

the war, the Lyallpur colony used to remit over twenty lakhs a year; if, then, the standard of living has risen in the colonies, it has naturally risen outside them as well. But the wealth acquired in the colonies is not the only factor in the case. The construction of 3,000 miles of metalled roads and of 5,000 miles of railway, the bridging of seven great rivers, some of them more than once, the maintenance of a well-paid army largely recruited from the province, the steady income derived from those who have emigrated to Australia, China, and America, and above all the opening of the world's markets to the cultivator, have all had their share in the process; and without these factors, the rise in the standard of living must have been seriously checked by the 22 per cent increase in the population. What this rise of standard actually means, few of us perhaps could say in detail. It may, therefore, not be out of place to give the result of enquiries that have been made in different parts of the province, but mainly in the central Punjab.

Food

'He that eats a seer,' says a Multan proverb, 'works like a lion, but he that eats only a quarter of a seer works like wood-ashes.'[1] Vegetarians and ascetics may think that the less they eat the healthier they will be, but this is certainly not the case with those who have to live by their hands. Even in India, where on the whole men perforce eat less than they should, the more exacting the labour the ampler the diet. At harvest-time, for instance, when everyone works twelve hours a day, meals are squarer than usual. If, then, a higher standard of work is to be maintained, as agricultural progress demands, it is important that more food should be available. Thanks to the canals, this is the case, and, though most people deny that the cultivator eats more than he did, all agree that his diet has gained in variety and refinement.[2] There are, as we have seen, still parts of the Punjab where many live with 'hard and pinching diet', and everywhere in times of scarcity (outside the colonies) belts have to be tightened; but for the most part, where two meals a day used to be the rule, it is now frequently three; and, as in Italy since 1880,[3] wheat

[1] *Khawe ser kamave sher khawe pa kamave swah.*

[2] In so poor and remote a tehsil as Talagang (Attock) more *ghi* is said to be eaten at home than before (*Talagang A.R.*, 1925, p. 8).

[3] Francesco Coletti, *Stefano Jacini*, 1926, p. xxvi.

and it may well become an incentive to effort, for, once a man becomes accustomed to a decent house, he will not willingly forgo it; and, to make it possible for his children to live in the same way, he will probably work harder than if he lived in a hovel.

At first sight there is not much change to note in the village house. The flat-roofed, mud-plastered building with its single storey is still the general rule, but here and there, especially round the towns, the two-storeyed, red-brick house is beginning to be a feature of the landscape. In the old days the *pukka* house, as such houses are called, could no doubt be found, but it was usually rare enough to provoke enquiry as to the owner, and the almost invariable reply would be—the village money-lender. Now, as often as not, in the central Punjab it belongs to some cultivator who has made money in a canal colony or as an emigrant abroad. Owing to the growing popularity of this kind of house, brick-building, which thirty years ago was hardly known in the village, is fast becoming a village industry, and the demand for masons and carpenters has outrun the supply. At the same time the old unfurnished, low-roofed hovel with dark dungeon-like cells is slowly yielding to the well-timbered house with windowed rooms, which are by no means bare. Almost everyone has a larger stock of metal utensils than before, and many boast a chair or two, a bit of crockery, a lamp, and occasionally even a clock; while, if a member of a family has served in Persia or Irak, there may be a valuable rug as well. A significant change is that, when the cultivator goes to town, he is not as content as he was with the low-class *tandur*,[1] but has begun to put up at the hotel. Still less is he prepared to do any part of the journey on foot: he drives to the station in *tum-tum*[2] or motor-bus, and when he gets there may sometimes be seen getting into a second-class carriage, hookah and all. Many of these changes are due to the war, which revealed to the Indian villager who served in France an entirely new standard of housing and comfort. He saw there with astonishment and envy how well the peasant proprietor can live, and, returning to his village, beheld its cattle-shed life with a tinge of disgust.

The women are said to have gained more than the men

[1] Small baker's shop used as an inn. [2] Two-wheeled country cart.

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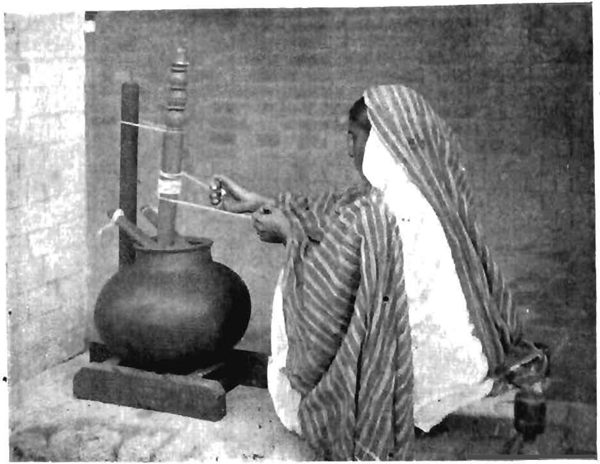

CHURNING

The Effect upon Women

from the rise in the standard of living. In the old days they had both to spin and to grind for the whole family, and in addition to cook, take the menfolk their meals in the field, sweep out house and byre, chop up the fodder and feed the cattle, as well as look after the children. Now the grinding is largely done by bullock, if not by engine, and what was woman's chief task falls indirectly upon the man. Gone, too, are the days when to buy your clothes was a mark of extravagance and pride, and as the machine-made cloth comes in, the spinning-wheel goes out.[1] Moreover, with the growing refinement in dress, there is much less inclination to perform the more menial tasks, such as collecting cow-dung and making it into cakes for fuel. Instead, more time is given to embroidery and weaving, and, as some say, to gossip. These are only tendencies, but they have been accentuated by the war, during which many soldiers' wives found it possible to live on their husbands' pay in comparative luxury and idleness. Women have certainly profited by the rise in the standard of living, but as wants increase men are beginning to be harassed by the little worries of life that come with the multiplication of possessions. 'The nomad is free from troubles, for he lives in a thatched hut,' says the Jangli proverb; and those who live in *pukka* houses and dress in fine linen, learn all too soon that there is a price to be paid for this as for everything else. Round the village the young may still be seen as merry as ever, playing some immemorial game or elementary, new-fashioned cricket on bumpy ground, but their fathers give less time than they did to wrestling, *kabaddi*[2] and the time-honoured fair; and even in the north, where on occasion men will still turn out in their thousands for tent-pegging, the art is not quite as popular as it was. On the whole, however, what is said above applies more to the central Punjab than to the rest of the province; and in the south women are reported still to work harder than men, who love to sit over the hookah for hours. The

[1] Compare the following passage about a village in Bengal:—Women cannot be induced to work the spinning machine. They protest on the ground that their household duties have enormously increased ('The Economics of a Bengal Village', *Indian Journal of Economics*, January 1926,

reason for this is that there is much more canal and well irrigation in the central districts than in the southern, and this means more continuous labour and a stronger habit of work.

In the central Punjab at least, the best judges agree that the cultivator works harder than before. On the one hand, the dearness of labour makes him do things himself which in old days would have been left to labourer or menial; and on the other, the high prices that till recently prevailed spur him on to get all he can out of his land. The effect of this may be gathered from the following passage, which expresses the view of perhaps the best informed of those who have made enquiries for me on the subject. My informant is a landowner, a graduate and an official, and for some years has been working in the central Punjab. He speaks, therefore, with unusual knowledge and experience, but it must be remembered that what he says was written before war prices fell.

Does the Cultivator Work Harder than Before?

'Many a kind of labour,' he writes, 'which was formerly left entirely to the village sweeper or menial, and which was looked down upon, is now often done by the cultivators themselves. It is a common sight to see their families doing the *udai*—separating the grain from the straw after it is thrashed—with the winnowing basket on their heads. A cultivator owning fifty canal-irrigated acres tells me that he saved 15 maunds of grain by getting his sons to do this work. In the old days the village sweeper or some other menial was always employed as fuelman, for converting the juice of the sugar-cane into sugar, but he is now being ousted by the cultivator's son, whose father has learnt to realize that a wage of 1½ seers a maund means a saving of two rupees for twelve hours' work. The cultivator mentioned above calculates that he and his family saved Rs. 130 in this way. The seasonal agricultural labourers, who used to make a good deal during the spring harvest, complain that they find each year duller than the last, because the cultivator has realized that a bushel a day in wages (he is generally paid in grain) means Rs. 4 a day or more. High prices are an incentive to harder work, and cultivation is now attracting greater care on the part of the cultivator. The sugar-cane, which got only three weedings when *gur* fetched Rs. 5 a maund, gets five or

six now that it sells at ten or eleven rupees a maund.[1] The cultivator sees more clearly than ever that an additional yield of one maund per *kanal* means an extra Rs. 100 an acre. One more fact helps to bear out my point. The Bisakhi[2] festival each year used to take two full days of the villager's time; this year (1922) it came at a very busy time, and only small children were allowed to attend the fairs.'

This no doubt represents the spirit of the few rather than the habits of the many, and throughout this chapter it is important to remember that, when we speak of change, it is still confined to the minority. All change, however, begins with the few, and, if the causes that promote it continue, and if it is in harmony with the disposition and habits of the people, it will eventually leaven the whole. In this case it may be doubted whether either the causes will continue—prices are not as high as they were—or whether in a hot climate mere material gain is a sufficient incentive to harder work. In a report of 1926 about a village near Lahore it is said that during the slack months of the year the ordinary cultivator plies his cart and works for hire, but the prosperous 'do nothing, sit at home and enjoy'. This is perhaps characteristic of the well-to-do in every warm country and goes hand in hand with the cheerful acceptance of a low standard of living, provided it is based upon small exertion. The result is a tendency, noted by Mr. Calvert, 'to reduce the area cultivated, if the same profits can be obtained from a smaller area'.[3] Mr. Keatinge noticed the same tendency at work in the Bombay Presidency. 'It is a matter of general comment,' he says, 'that whole classes of cultivators, who formerly used to do their own field work, have now ceased to take any active part in field operations.'[4] In both cases the tendency is evidently due to the high prices, which have made it possible for many to satisfy their modest requirements by living on the higher rents that high prices bring, instead of cultivating the land themselves, as they were obliged to do before in order to make both ends meet. From this point of view it is a bad sign that in the Punjab the area under tenancy is increasing, and that in the last census decade the number of

[1] The price of *gur* has dropped considerably since this was written.
[2] The Hindu New Year's Day.
[3] Op. cit., p. 96.
[4] Op. cit., p. 146.

persons living on agricultural rents has increased from 626,000 to over a million.[1] On the other hand, in the Lyallpur colony, as we should expect from its vigorous peasantry, the contrary is the case; and even elsewhere, a large proportion of the tenants who are increasing their holdings are themselves owners, who see in big prices an opportunity to improve their position. To this type of man and to the tenant generally, high prices, as Mr. Calvert says, are 'acting as a stimulus to greater exertion and greater interest'.[2] It is much the same motive that has led to the recent remarkable increase in the number of masonry wells. In the first decade of the century their number actually declined, but in the next ten years they increased by over 25,000.[3] This fact reinforces the view that, in the central Punjab at least, more work is being done, as most of the great well districts are in that area and every new well obviously means more work.

On the whole, then, so far as the central Punjab and the canal colonies are concerned, there is every reason to believe that more work is being done; and from what we know of the sturdy north we may guess that the same is the case there as well; and, even in the backward south-west, it is significant that in Multan the number of wells has increased in twenty years by 42 per cent. At the same time there are indications throughout the province, outside the colonies, that for many small holders the higher standard of living rests less upon an increase in production than upon the inflated value of land, which makes it easy to borrow. In a later chapter we shall see that, hand in hand with the rise in the standard of living, debt has seriously increased, and that the two are perhaps inter-connected. Meanwhile, it is evident that the whole question is one of great importance for the future, as, with an increase in population and possibly falling prices, no standard of living can be maintained for long without continual increase in production, and in this hard work is an essential factor. For, as Mr. Keatinge remarks,

[1] *Census of India*, 1921, xv, 354. [2] Op. cit., p. 119.

[3] Masonry wells

1901–1902	...	...	24[illegible],284 (includes former Delhi tehsil)
1911–1912	...	...	[illegible]3,853
1921–1922	...	...	269,623
1925–1926	...	...	267,673

(Figures kindly supplied by the Director of Land Records.)

'if every economic advantage gained is to be the signal for relaxation of effort, if improved methods of farming are to serve not only to increase the crop, but also to swell the ranks of non-workers, is any marked progress possible?'[1] Clearly not. The old standard of work must at least be maintained; and if there is to be a permanent advance, there must also be knowledge and skill, and capital enough to apply them to the fullest advantage. In a word, if men who live in villages want a more civilized life, there must be agricultural progress. For the moment, perhaps, the matter is of less urgent importance for the Punjab than for the rest of India, as there are still three million acres or more to be colonized. But when this area has been filled up, the question of how an increasing population and a higher standard of living are to be reconciled will have to be faced. If the cultivator is prepared to work both harder and more intelligently than before, no serious difficulty should arise. But if he continues opposed to progress, population must sooner or later increase faster than production, in which case one of two results will follow. Either there will be a struggle for the land that is not enough to go round, or the standard of living will decline. Russia, with its great upheaval, following an immense increase of population, is probably an instance of the former, as the Ireland of a hundred years ago, sinking back into poverty after the prosperity of the Napoleonic wars, is a case of the latter.[2] The question of agricultural progress is therefore of vital importance, and it will be considered in the following chapter.

[1] Op. cit., p. 148.

[2] See Mr. George O'Brien's article, in the *Manchester Commercial Supplement*, on 'Ireland', dated 15 March, 1923.

CHAPTER IX

AGRICULTURAL PROGRESS

It is beyond the scope of this study to examine at length the conditions upon which agricultural progress in general depends, nor it is necessary since, so far as the Punjab is concerned, it has been admirably done by Mr. Calvert in his book, *The Wealth and Welfare of the Punjab*, to which frequent allusions have already been made. According to Mr. Calvert, everything is possible to the Punjabi, if he will only organize his resources and apply to his land the industry, intelligence and science of the West. Man's fortune, he says, is in his own hands, and, if he remains poor, it is not the fault of Government—we are earnestly warned against confusing agriculture with politics—nor even the fault of the land, for the Punjab, with its two harvests a year, is a richer country than England was when it was in a similar stage of development. The responsibility lies with the people themselves, and more immediately with their leaders, whose duty it is to study the land and its problems. Ultimately the human factor is the supreme factor, and, if only some system of education can be devised to suit the peasant and his plough instead of the babu and his pen—if, too, the resources of science can be brought to the village, and the brains and the capital of the town can be placed at the service of the country, there is no reason why the Punjab should not take its place amongst the most prosperous provinces of the Empire.

Possibilities

Great the venture and fair the prize; and there are half a dozen countries to prove that the prize may be won. But, lest we despair when we see the little achieved, one or two commonplace facts may be emphasized. With the exception of Japan, all the countries upon whose experience Mr. Calvert mainly relies have an invigorating climate; and, with the possible exception of Belgium, all have long enjoyed a reasonable measure of political security. In the Punjab the contrary is the case. For half the year the

Indian Fatalism

heat is overpowering, and for centuries invader after invader has poured across its plains. And what is true of the Punjab is true in varying degree of the whole of India. 'The extraordinary security of our modern life in times of peace,' says Professor Gilbert Murray, speaking of the old Greeks, 'makes it hard for us to realize . . . the constant precariousness, the frightful proximity of death, that was usual in these weak, ancient communities.'[1]. For anyone who has lived in India this insecurity is not difficult to understand, and it is the key to the fatalism of the East. Gripped by a relentless climate, for generations scourged by famine, pestilence and war, his wealth at the mercy of every despot's whim, his cattle a prey to disease and drought, his crops periodically devastated by blight and flood, serving, too, not the gentle goddess that Nature is in the West but a volcanic force of terrific power and wild caprice, how could the Indian cultivator be anything but a fatalist? In such conditions progress is impossible. Knowledge, skill, energy and capital, the four requisites of all advance, must appear of little avail when man is infinitely weak and nature overwhelmingly strong. 'The only way to escape destruction,' says Professor Murray, 'is to win the favour of the prevailing powers . . . to flatter the despot, placate the fate or angry god that is sending the famine or pestilence.'[2]

Effect of British Rule

Seventy-five years of British rule have not changed the instincts of centuries, but they have at least given the country the one thing indispensable to progress, namely, security. 'As long as most of the inhabitants of the world live in a state of sordid insecurity,' says a well-known writer on finance, 'there is little chance of getting the best out of them.'[3] The security given by the *Pax Britannica* embraces every activity of life. Politically it is sufficiently obvious, and agriculturally the change is almost as great. Once mainly dependent upon a scanty and uncertain rainfall, the province is now protected, to the extent of nearly half its cultivated area, by canal or well, and, though the danger to cattle remains, the spectre of famine is almost

laid. Owners, too, who in the old days could be ousted by a stroke of the pen (or a blow of the sword), are now secure in their tenure, and all who cultivate the soil, whether owners or tenants, are sure of the fruits of their labour. Moreover, the markets of the world are open to their produce, and, instead of glut and dearth succeeding each other with almost equally disturbing effect, a surplus is never wasted and scarcity is always relieved. Finally, capital can be raised with almost fatal ease upon the greatly enhanced value of land, which in the latter days of the Sikh was often almost worthless. The whole framework and order of society are changed, and men are no longer entirely at the mercy of Nature and of Fate. In the canal colonies the change is the greatest of all. 'Where the water is, there is God,' said a colonist to the writer, illustrating in almost Biblical phrase the profound change made by the canal. The man-made canal is beginning to take the place of fate in men's minds, and it is only a step from this to realize that, if man can make the canal, he can do much else besides; and that it is not 'as God wills'[1] but as man works that he will be rich or poor. We are no doubt far from this yet, but it is generally agreed by those in a position to judge that, in the colonies at least, *kismet* or fate is no longer quite the fetish it was. The change is one of the subtlest influences now coming into play, and, as it spreads, will do more than anything else to make agricultural progress possible.

There is, however, another difficulty to be faced. In India religion bids a man turn his back upon all material advantage,

[1] The following passage, which is taken from Tolstoy's *Anna Karenin* (Vol. i, p. 175, translation by Constance Garnett) and which refers to a Russian landlord who is full of zeal for agricultural progress, shows that the Russian and the Indian peasant have a good deal in common :—

'The bailiff listened attentively, and obviously made an effort to approve of his employer's projects. But still he had that look that Levin knew so well . . . a look of hopelessness and despondency. That look said : "That's all very well, but as God wills." . . . It was the tone common to all the bailiffs he had ever had. They had all taken up that attitude to his plans, and so now he was not angered by it, but mortified, and felt all the more roused to struggle against this, as it seemed, elemental force continually ranged against him, for which he could find no other expression than "as God wills".'

Religion and Progress

and, if he is a Hindu, regard everything as a mere manifestation of illusion. As Sir Rabindranath Tagore expresses it, 'Indian civilization is penetrated with an abiding sense of the infinite'.[1] Progress, on the other hand, is essentially concerned with the finite, and bids a man multiply his possessions, in order that he may add to his comforts. This is a doctrine that makes but little appeal to the cultivator, who feels, with the experience of centuries, that, however many his possessions, he cannot add much to his comfort in a climate that sooner or later destroys all effort and wealth. His aim, therefore, has always been to guard and preserve rather than to improve and enlarge, an attitude indeed that till the end of the eighteenth century was well-nigh universal. 'The whole world then,' says a recent historian, 'desired to be stable and contented rather than progressive and rich,' and he adds that 'this view of things—the static as opposed to the evolutionary—differentiated our ancestors from us, in agriculture and industry as well as in politics and in religion.'[2] India is still in the static state, and, if we may believe Professor Mukerji, its village communities are the most contented in the world.[3] This contentment, however, is largely based upon ignorance of anything better, and, as knowledge and education spread, may turn into something very different, unless it can be placed upon the sure foundation of civilized life. Already in the Punjab, and most of all in the colonies, there are signs that the process has begun, and that men are no longer satisfied with the rude conditions of the past, and are beginning to consider how life can be improved. We are, in fact, upon the threshold of the evolutionary stage, and no moment could be more propitious for the introduction of the idea of progress.

But we shall do well to remember the deep spiritual forces underlying Indian mental conceptions, and, if possible, to infuse into the idea something that will lift it above the mere satisfaction of physical needs. For the West this is, perhaps, not so

[1] See V. G. Kale, *Indian Economics*, p. 25. Professor Kale combats the view, not however very convincingly, that the idea of progress is foreign to India, but admits that it is in 'a stage of arrested development' (p. 35).

[2] Trevelyan, *British History in the Nineteenth Century*, 1922; p. 35.

[3] R. Mukerji, *The Foundations of Indian Economics*, 1906, p. 4.

important as it is for the East, as in Western life spirit and matter are closely allied, and no advance can be made in the one without its affecting the other. However purely material any form of progress may be, as soon as it becomes part of general life it is vivified by the less material forces with which our age abounds; and it may almost be said that in the West there is no material good that is not wedded to something spiritual or artistic, and that there is nothing spiritual or artistic which does not express itself in some material good. In India, things are different: religion is opposed to matter and cares nothing for progress, the possibility of which it would probably deny. Nor are the influences of literature, music and art at present sufficiently strong to raise the idea above its purely material plane. There is real danger, therefore, that what has enriched and invigorated the West may have a contrary effect in the East, and that, unless it is illuminated by some reflection of 'the good, the beautiful and the true', it may be rejected by the wise, and only accepted by the few who wish to get rich.

Importance of Organisation in India

The problem is, therefore, exceptionally difficult. And not only are nature, religion and temperament all arrayed against the reformer, but also the whole agricultural and social system of the country. Consider the position of an ordinary Jat, who wishes to apply the new gospel of progress to his land. The five or ten acres that he cultivates are scattered in tiny strips about the village. To make both ends meet he is forced to borrow at 10 or 20 per cent, and, as likely as not, when the time comes to repay, dearth or disease makes it impossible, and sooner or later the money-lender has him in fee. If he wishes to marry, he may have to purchase a wife and will certainly have to spend a year's income or more upon the wedding; and if he has children, he will have to do the same for each of his sons, and not much less for his daughters. If he realizes that, to make a five-acre farm pay, it must be intensively cultivated, he is debarred by caste from turning it into a market garden; nor, unless he is a Muhammadan, can he take to stock-breeding, one of the great resources of the small holder in Europe. The result is, he follows methods of cultivation that could only maintain him in comfort with a farm three or four times

as large. And it is impossible to blame him. The opposing forces are too strong: no one could overcome them single-handed. Combination and organization are therefore a necessity; and if this is the experience of the West, the necessity is twice as great in the East.

Agricultural and Co-operative Departments

Fortunately, two important organizations already exist. One, the Agricultural Department, is entirely official; the other, the Co-operative Department, which teaches men to combine, embraces official and non-official alike. The latter was started in 1904, the former in 1906, so that neither is much over twenty years old. The former has an agricultural college at Lyallpur, five experimental farms, the most important of which is also at Lyallpur,[1] five demonstration farms,[2] a veterinary college at Lahore, a cattle farm at Hissar, and a staff for teaching and research in every branch of agricultural science. The sister department of co-operation extends throughout the province, and has already called into being 16,500 societies with about 500,000 members. Upon the working of these twin departments depends the whole agricultural future of the province, and together they provide a form of progress well suited to the country and by no means wholly material; for, though the Agricultural Department is inevitably absorbed in man's enrichment from the fruits of the earth, co-operation, with its ideal of 'each for all and all for each', bids him most emphatically not to live by bread alone. The Punjab will, therefore, be wise to develop to the fullest extent these two organizations, upon which ultimately its 'wealth and welfare' alike depend. If some are inclined to think from the following account that the achievements of the Agricultural Department are small, they should remember that it has been at work for only twenty-one years, and that till recently its staff and equipment were wholly inadequate to the size of the province. Even now expenditure is on a much lower scale than in the West as is clear from the

[1] Two of the five experimental farms have started work this year (1927); a sixth is expected to start work next year.

[2] There are in all fifteen demonstration farms, but two are private, six belong to local bodies and two to co-operative societies (*Report of the Department of Agriculture, Punjab*, 1925, p. 52).

following figures, which show State expenditure upon agriculture in the Punjab and in four Western countries[1] :—

	Per 1,000 of the population	Per 1,000 acres (cultivated)[2]
	Rs.	Rs.
Germany (1910)	945	705
United States (1919–20)	1,020	210
United Kingdom (1921)	960	1,380
Italy (1925–26)	255	184
Punjab (1926-27)	139	95[3]
British India (1924-25)	34	30[4]

It may be said that the contrast between the Punjab and three of the four Western countries is due to disparity of resources; but this can hardly be said of Italy, which is not a rich country and contains large tracts where conditions are still extremely primitive. The figures for British India are the most surprising and represent a net expenditure which is 'not even equal to the subsidy which the Government of India have to pay to the steel industry under the Steel Industry Protection Act'.[5] Yet in India agriculture supports 224 millions against less than

[1] In 1924–25, the net expenditure of the Imperial and Provincial Departments of Agriculture in British India was 82·21 lakhs (*Review of Agricultural Operations in India*, 1924-25, p. 112). It is not clear whether this figure includes veterinary expenditure; probably not, as it is not included in the Punjab figures given in the Review (p. 111). It is, however, included in the Punjab figures given above, which also include expenditure on agricultural education. These figures are based on the budget estimate for 1926–27 (28·76 lakhs net). The Italian figures also represent estimated expenditure, and have been worked out from data obtained in Rome on a basis of nine lira to the rupee. Total expenditure amounts to 89 million lira, including 6·2 million lira on account of cattle, horses and mules but excluding expenditure on irrigation and advances to agricultural institutions, which are not included in the Indian figures. For the other figures, see Sir Henry Rew's article in the *Edinburgh Review*, April, 1922 : his sterling figures have been converted at Rs. 15 to the pound.

[2] i.e., under crops and grass.

[3] The figures given in the first edition did not include veterinary expenditure (estimated at 9·90 lakhs net for 1926–27).

[4] In 1921, the population of British India was 247 millions, and in 1924–25 its cultivated area (i.e. sown and fallow) was 274,159,212 acres (*Statistical Abstract for British India* (fourth issue), 1926, p. 311).

[5] *Review of Agricultural Operations in British India*, 1924–25, p. 112.

300,000 supported by iron and steel.[1] Could disproportion go further?

Lyallpur, with its college and farm and its progressive community, has naturally been the main centre of effort. In its workshops and laboratories every kind of experiment is being made, and many lines of advance are being explored; but so far only with seed and implements can any popular success be claimed; and even with implements only the fringe of the problem has been touched. The plough that looks 'like a half-open penknife' and just scratches the soil; the hand-sickle made more for a child than a man; the old-fashioned winnowing tray that woos the wind to sift the grain from the chaff; and the rude chopper with its waste of fodder, are undisplaced from their primitive but immemorial functions. Hoes, drills, harrows, reapers, fodder-cutters and winnowing machines *et hoc genus omne* are all there waiting to be sold, but those who buy are only a handful. The country plough is still in almost universal use—out of 2¼ million ploughs in the province at most 40,000 are of a modern type[2]—and it is said to be largely responsible for the comparatively low standard of cultivation in India.[3] At the same time it has several merits which make it difficult to displace: yoke and all, it costs only Rs. 7-8-0 (eleven shillings); it can be drawn by a bullock, camel or donkey: it can be used as a harrow, and does not plough too deep, an advantage where, as in the Punjab, the soil is nearly all alluvial and mostly a sandy loam. It is significant that in southern Italy and Sicily, its first cousin, the plough sung by Virgil nearly 2,000 years ago, is still in common use, and that one reason for this is that it is often better suited to local conditions than the modern plough.[4] An Italian economist,[5] who has

Achievement: Implements

[1] *Census of India*, 1921, i, 241, 251.

[2] This estimate relates to 1927. In the four years ending 1925-26, 22,340 of these ploughs have been sold (see *Reports of the Department of Agriculture, Punjab*).

[3] *Review of Agricultural Operations in British India*, 1924-25, p. 70.

[4] In 1925, the writer was informed by an agricultural expert at Siena (Central Italy) that 25 per cent of the ploughs in that district were of the old type. The old type of plough costs about Rs. 30 (280 lira) and the modern Rs. 112 (1,006 lira).

[5] The author of the two volumes on Sicily in the report quoted on p. 139.

made a profound study of conditions in Sicily, informed the writer that for extensive cultivation he considered it the better of the two; and he added that a superior plough was of little use without superior bullocks, a consideration that applies with special force to India, where for the most part cattle are of inferior quality. This is the difficulty with the Raja plough, for despite all that the experts say, the ordinary cultivator is convinced that it requires stronger bullocks than he usually keeps. Also, at Rs. 37-8-0, it is too dear. The Meston plough, the most popular of the improved types, is cheap enough at Rs. 15;[1] but it is suited only to the lighter soils and its shares are constantly breaking. The ideal plough, therefore, that is at once cheap, efficient and suited to Indian conditions, has yet to be invented.

With other implements, such as drills, harrows and reapers, the difficulty is largely one of expense, and it is always a question how far a man with a few acres is prudent in acquiring expensive implements and machines; nor is the local blacksmith always equal to the repairs that in India are persistently required. In spite of this, the 'Meston', the harrow and the fodder-cutter are slowly winning their way;[2] but time is needed for their wide adoption, for no workman changes his tools with alacrity; and when he has used them for centuries they become part and parcel of his being, as dear and as necessary to him as his own hand; and for the most part he would as soon think of changing the one as of amputating the other. Readers of *Anna Karenin* will perhaps remember how Levin, who was bent upon improving his estates, found the same difficulty with his Russian peasants. All 'agreed that the modern plough ploughed better, that the scarifier did the work more quickly, but they found thousands of reasons that made it out of the question for them to use either of them'.[3] India and Russia have many problems in common.

With seed the problem is simpler, and it is here that the

[1] A country-made Meston (without yoke) can now be had at Batala for Rs. 7-8-0.

[2] In 1925-26, 845 harrows and 1,487 fodder-cutters were sold, a marked advance on the 1,106 harrows and 1,698 fodder-cuttrrs sold in the three preceding years (see *Report of the Department of Agriculture, Punjab*, for the years in question).

[3] Op. cit., i, 387.

greatest success has been achieved. Hitherto the whole cultivation of India has been based upon seed stored promiscuously by the farmer or supplied by the bania, whose only anxiety is always to get the highest possible price for the cheapest possible article. Pure seed can now be obtained from approved agents of the Agricultural Department, with the result that in 1925-26 enough was bought in the Punjab to sow 47,000 acres of wheat and 221,000 acres of cotton.[1] Moreover, thousands of cultivators, who twenty years ago never gave a thought to the quality of their seed, now either grow selected seed themselves or purchase it from others. There is nothing sensational in this, but it is the change most likely to be widely adopted as its importance is easily grasped.

Seed

More brilliant in its immediate results, though possibly less certain of ultimate success, is the discovery of better varieties of wheat and cotton than those ordinarily used. The latter have the great advantage of being entirely acclimatized, but the wheats suffer from the poorness of their yield—the Punjab produces only 14 bushels an acre against 31½ in England,[2]—and cotton from the shortness of its staple. Wheats have now been discovered that produce from one to four maunds an acre more than country wheat, and in 1925-26 these improved varieties were sown on just under 1½ million acres, yielding, it is reckoned, an extra gross profit of 173 lakhs (£1¼ millions).[3] The results with cotton, after wheat the most important crop in the province, are even more striking. A variety of American origin, technically called 4 F and popularly known as 'Amreekan', has been discovered by Mr. D. Milne with a staple that is only just short of 'American Middling Fair', the standard cotton of the world. The importance of this lies in the fact that it can be used in Lancashire, where there is very little demand for the ordinary cotton with its shorter

4 F Cotton

[1] *Report of the Department of Agriculture, Punjab*, 1925-26, pp. 22, 26. In the five years ending 1925-26, 100,454 maunds of pure wheat seed and 130,017 maunds of cotton seed were distributed.

[2] See Roberts and Faulkner, *A Text book of Punjab Agriculture*, p. 5.

[3] *Report of the Department of Agriculture*, 1925-26, pp. 25-27. The improved varieties of wheat have now spread over more than 1½ million acres in the Punjab, N.W.F. Province and the United Provinces.

staple.[1] A single plant in 1908, seventeen years later it was sown on 1,131,800 acres. This swiftly acquired popularity was mainly due to its higher price, and it is estimated that in three years (ending 1924-25) it put an extra six crores (£4 millions) into the farmer's pocket.[2] In this way, it has no doubt helped to reduce the volume of debt in the colonies, as, too, it is said to have raised the price of land.

But there is a fly in the honey, and this particular fly has a way of getting into all honey of Western make or extraction. The question is—Can 4 F be permanently acclimatized? In 1919, farmers began to complain of a mysterious disease in their cotton. In September and October plants dropped many of their flowers, balls did not open properly, much of the lint was rubbish, and seeds developed less than they should. The result was a crop sbort by at least 70,000 bales of what was expected. Indian cotton, too, fared badly, but less so than American. The following year there was not much to choose between the two, but in 1921 the September rains failed, and 4 F, being a thirsty plant, suffered severely. In the next four years, however, it did as well as ever: out-turn and fibre were alike excellent, and it fetched so good a price that on a three year average it produced Rs. 40 an acre more than its rival. Unfortunately it is again under a cloud, as the crop of 1926 proved a partial failure. It is certainly less hardy and less drought-resistant than Indian cotton, and at one time there was reason to suspect some deterioration of fibre.[3] On the other hand, given fair average land, good cultivation, and sufficient water during the critical months of September, October and early November, it is as superior in yield as it is in value. Meanwhile, another variety (289 F) has been discovered, which promises to oust both its rivals.

[1] The staple of 4 F is seven-eighths, and of country cotton five-eighths of an inch (*Report of the Department of Agriculture, Punjab*, 1921–22, p. 14).

[2] *Ibid.*, 1923 (p. 6), 1924 (p. 12) and 1925 (p. 15). Cotton is now of great importance in India, as it is cultivated over a larger area (27·8 million acres in 1925–26) than in any other country except the United States (45·9 million acres), *Cotton Growing Countries Present and Potential*, 1926, pp. xv, 63 and 127. The area in the Punjab in 1925–26 was 2·7 million acres, a record for the Province.

[3] *Ibid.*, 1922, p. 18.

Difficulties of Acclimatisation

If the history of 4 F has been given in detail, it is because it affords an admirable illustration of the difficulties that have to be overcome before any improvement can be acclimatized in a country like India, and they are difficulties that arise in every field of enterprise, industrial as well as agricultural, political as well as social. Just as the Englishman would find it difficult to settle in India without some deterioration of fibre, so also in the vegetable kingdom it may be that every improved variety of seed must eventually deteriorate for want of some essential property required on account of the climate, the soil and the general conditions of the country. One seed demands more water than is available, another matures too early, a third proves too attractive to the omnivorous insect, and what does well in the north may wither in the hotter south. 'Beardless early wheats like Pusa 4 and 12,' says a 1925 report, 'were in full bloom . . . when frost in February dashed all their hopes.'[1] Already, with wheat, 'Pusa 12' has been followed by 'Punjab 11', and the latter is now giving way to 'Punjab 8 A'. The Punjab climate, with its violent alternations of heat and cold, and rain and drought, is so exacting that it is not easy to develop seeds that are proof against it in every respect. But efforts should not be relaxed, as improved seed is the shortest cut to an increase in the yield per acre; and, as a well-known writer remarks, in a densely-populated country with few or no mineral resources the yield per acre is all-important.[2]

Growth of the Commercial Spirit

There is one change which may have far-reaching effects, and that is the growth of the commercial spirit. Till the end of the eighteenth century, all over Europe the peasant proprietor cultivated primarily for subsistence; that is to say, so far as nature allowed, his aim was to live on the products of his farm. Now, throughout western and central Europe, he finds it more profitable to grow mainly for the market and varies his crops with changes in price and demand. India as a whole is still in the subsistence stage, and its point of view is well expressed by a villager, who said to the writer, 'Our task is

[1] *Report of the Department of Agriculture, Punjab*, 1925, p. lviii.

[2] A. W. Ashby, in the *Edinburgh Review*, January, 1922.

not the making of money, but the filling of our bellies'. In Lyallpur, however (it is less true of the other colonies), there are signs that the old order is changing. The cultivator still buys nothing that he can produce, but in sowing his spare acres he has begun to look to the market. Thus, owing to the boom in cotton produced by the war, the area under it in the colonies trebled in five years, and in a single year, when prices dropped, it fell by 600,000 acres.[1] Similarly, the low price of raw sugar in 1923-24 led, the following year, to a reduction of 80,000 acres in the area under sugar-cane.[2] The cultivator is equally quick to turn from one variety of seed to another. After the partial failure of 4 F in 1921 many went back to country cotton, and, after its success in 1922, turned to it again in 1923. There is danger in this, for the inexperienced cultivator is apt to rush from one extreme to another, and in the process sometimes falls out of the frying-pan into the fire. This is what happened in 1922 with the holding up of his wheat. Continually urged to hold it up in order to secure the benefit of the autumn rise in the market, it was not till he saw the enormous profit reaped by the bania in 1921, when wheat doubled in price, that he was fully persuaded. Accordingly, the following year he held up 25 per cent of his crop, but only to see wheat fall by 30 per cent. There are other disadvantages as well in the holding up of a crop in a country like India. An abundance of grain in the house is an incitement to waste, and, if a town is near, the womenfolk are tempted to unnecessary shopping, and even ornaments are sometimes bought in exchange. All of which shows the need for caution in pressing a new policy upon the illiterate and not too provident cultivator. From one change, however, nothing but good can ensue, and that is the tendency of the colonist to dispense with the local bania and take his grain to market himself. The Agricultural Department has had much to do with this, as for years it has held a series of auctions

	Area under cotton in acres
[1] 1915-16	473,193
1920-21	1,536,139
1921-22	906,950

	Area under sugar-cane
[2] 1923-24	480,000
1924-25	400,000

to eliminate the middleman and secure to the cultivator a fair price for his cotton. The Co-operative Department has gone a step further, and has organized societies of cultivators to sell their produce to the wholesale dealer direct. In response, too, to the demand created by a large exportable surplus a number of market towns have sprung up, where world prices are daily received by wire and wheat and cotton are sold to the exporter direct. Upon their hot, dusty market-places the intensely localized agriculture of the past is brought into sudden contact with the world-wide commerce of the present. The effect of this upon the cultivator is bound to be great, the more so that it is an influence that works upon him almost unconsciously. Already he has begun to grasp the importance of improving implement, seed and crop, and to consider all three in terms of profit instead of subsistence. The day too is past when poverty or ignorance 'led him to throw his grain on the market till a glut was created'.[1] In short, conditions in the colonies are unusually favourable, and where this is the case, as Dr. Mann points out, the small holder 'makes the most progressive cultivator in the world'.[2]

Progress Outside the Colonies

But where conditions are not favourable, the small holder, as Dr. Mann adds, is 'about as hard to move from his traditional methods as any body of men of which we can conceive'. Unfortunately, as we have seen, conditions outside the colonies are as unfavourable as possible. The only satisfactory feature is the comparative security brought by irrigation to a large part of the province. Yet, though irrigation is widely developed, much insecurity remains. Down all the rivers and throughout the west and south-east it is the dominant factor, and nowhere in these areas will any real progress be found. Elsewhere the fragmentation of holdings blocks the way; and it cannot be too often repeated that, till holdings are consolidated, no great advance can be made. Till then, all that can be done is to induce the cultivator to use better seed, perhaps buy a Meston plough, and, if possible, join a village bank. The last is much the most important of the three, for every good co-operative society is an oasis in the desert of inertia. It will rescue a man from the toils of the money-lender; it will teach

[1] *Civil and Military Gazette*, 18 June, 1926 [2] Op. cit., 1917, p. 54.

him to be sparing in borrowing and punctual in payment, and generally to make the best use of his slender resources; it may even consolidate his holding, and in fact is the only means so far discovered in India for the purpose. Above all, a member of a co-operative society learns to combine with his fellows, and has no longer to face 'the slings and arrows of outrageous fortune' single-handed. Apart from the colonies it might almost be said, 'No co-operative society, no progress'.

If however at first sight, outside the colonies, the signs of progress are not easy to detect, a start has certainly been made. In the central Punjab the advantage of good seed is widely understood, and here and there improved implements are in use. A number of wells (225 in 1925-26) have had their diminishing supply of water replenished by a tube, and everywhere can be seen Persian wheels and sugar presses, made of iron instead of wood; and upon the former the pleasant old-fashioned vessels of clay are frequently replaced by the ugly, but lighter and more durable, buckets of iron. Round the larger towns agriculture is becoming more intensive, as everyone knows who has seen the orchards of Amritsar and the vegetable gardens of Jullundur. In the province generally there is a perceptible improvement in methods of culture: the land is better ploughed and manured, though manuring still leaves much to be desired. In districts as far apart as Jullundur and Multan wells are rapidly increasing; in unirrigated tracts moisture is more carefully conserved, and in several districts people have begun to sow cotton and maize in lines. Finally, thanks to the cattle farm at Hissar, a finer breed of bullock and cow can sometimes be seen in the village. These, of course, are only tendencies, but there are few districts now where some trace of progress cannot be discerned.

Example of Germany and France

There is, therefore, no reason to despair, and, if we were to compare the Punjab with eastern or southern Europe, it may be doubted whether the comparison would be to the disadvantage of the former.[1] It is important, too, to remember that till twenty years ago there was little thought of agri-

[1] See, for instance, the monumental but illuminating Italian report on rural conditions in Sicily and Southern Italy quoted on p. 139, and the remarkable picture of peasant life in Russian Poland given in Ladislas St. Reymont's novel *The Peasants* (tr. M. H. Dziewicki).

cultural progress in India, and that countries like Germany and France have taken 100 years to reach their present level of development. In both countries there were fifty years of preparatory work before the peasant proprietor began to develop. In Germany the process was not so slow as in France, as the Prussian landlord east of the Elbe, like the landlord in England, was as quick to apply as he was to learn, and gave the peasant proprietor the lead he needed. This lead the peasant proprietor of France had in the main to obtain from Government and necessity. Up to 1860, in spite of some technical improvements, agriculture as a whole was 'still intensely traditional, and marked by the predominance of manual work and by a resigned submission to the caprice of nature'.[1] The only form of agricultural machinery in general use was the old-fashioned type of threshing machine, which was usually worked by horse or mule. The cultivator was slow to take to better implements, for, as in the Punjab, his holding was too small for their use to be profitable. Holdings, too, were fragmented, and there was little systematic effort to consolidate them. To-day they are as small as ever, but the spread of the railway and the telegraph has made it possible to cultivate them more intensively, for the market-gardener, the poultry-farmer and the fruit-grower have now a much wider range of markets than they had before. In this way, both in Germany and in France, railways have had the greatest possible influence upon agricultural progress, so much so that it is true to say that 'broadly speaking, no general and thorough-going improvement can be registered in peasant agriculture before the railway age'.[2] Applying this to the Punjab, we need not be surprised that the idea of progress is of comparatively recent date. A generation ago there were railways but no railway system, colonists but no colonies, schools but no education. The cultivator was everywhere isolated, ignorant and helpless. The village money-lender was at his zenith, and land was rapidly passing into his hands. In all these respects there has been change, and in the colonies the change

[1] See J. H. Clapham, *The Economic Development of France and Germany, 1815-1914* (1921), p. 158. The substance of what is said above about Germany and France is taken from this book.

[2] *Ibid.*, p. 52.

is little short of astonishing. The moment is, therefore, unusually propitious to advance.

There is one peculiar feature of rural life in the Punjab, the Land Alienation Act, upon which something must be said, as it may interfere with agricultural progress in the future. Ever since 1901, when it came into force, the non-agricultural classes have been greatly restricted in the acquisition of land; they are no longer allowed to buy it from a member of an agriculturist tribe, nor may they take it in mortgage from the latter for more than twenty years. The main object of the Act was to prevent the small peasant proprietor being expropriated by the village money-lender, in whose hands he was then as wax; and on the whole it has succeeded so well that he regards it as the charter of his rights. The townsman, on the other hand, views it as a serious disability and is inclined to convert it into a political grievance. The question is, therefore, a thorny one, but, though it is beyond the scope of this book to examine it in detail, it is too important to be entirely ignored.

The Land Alienation Act

Viewed in its relation to agricultural progress, the Act may be challenged upon two grounds. In the first place all protection, if continued indefinitely, weakens what it protects. The child whose hand is always held will never learn to walk; and the cultivator who is always protected will never learn to be independent. A generation ago, in all affairs of business, the peasant was as helpless as a child and no doubt required protection, but now, thanks to co-operation and its 13,500 village banks, and to the awakening effect of the war and the general spirit of the times, he is fast learning to walk, and in the canal colonies at least he is well able to look after himself.

Secondly, it may be argued that the assistance of the town is indispensable to the development of the country, and that the Act keeps the two apart. In England, it was not till the lawyers and merchants began to invest money in land that the landlords paid much attention to farming, and in other countries, notably in Germany, rural movements owe much to men who were not agriculturists. Even without the Act this co-operation between town and country would be difficult in the Punjab, since for various reasons the cleavage between the two is unusually great. In widening the gulf the Act only adds to the difficulty, and it

may well be doubted whether the educated townsman will ever take a practical interest in rural questions so long as he is virtually excluded from rural society. To this it may be replied that agriculture will be best promoted by keeping as much land as possible in the hands of the agriculturist, who has a natural instinct for farming, and that there is little to be gained by facilitating its transfer to the townsman, who is incapable of cultivating it himself and who 'does not invest any capital in improving it . . . but contents himself with obtaining the best rent he can'.[1]

The Townsman as Landlord

In a country where occupation and aptitude are largely determined by heredity and caste, this is a point of view that must command respect, but it is not one that is entirely endorsed by experience. In at least one part of the province, the south-west, agriculture owes much to the townsman. As long ago as 1859, the comparative prosperity of Multan was attributed mainly to the efforts of wealthy landowning *kirars,* who by their labour and capital had greatly improved the productive power of the soil;[2] and even now the *kirar,* with whom we are familiar from a previous chapter, is better than the ordinary landlord, not only in Multan[3] but also in the adjoining districts of Dera Ghazi Khan, Muzaffargarh and Jhang. In all three he is the only progressive influence in an otherwise stagnant neighbourhood. If, for instance, a well has a covering of thatch to protect the ever-circling bullocks from the sun, if mango trees line the water-courses, or if capital has been sunk in the land, it is almost certain to be due to the despised *kirar.* Though he seldom works with his own hands, he supervises his labourers minutely, and rarely gives his land out to be wasted by tenants. Half the sugar-cane of the district is in his hands, and he is responsible for the only tube-well that has been sunk. Further north, in Mianwali, it was an Arora who introduced gram into the Thal, to the great advantage of the tract, and it is an Arora who is now manager of the experimental farm at Lyallpur.[4] In more than one district the most progressive landlord will be found to

[1] Calvert, p. 140.
[3] See *Ibid.*, p. 9.
[2] See *Multan S.R.*, 1921, p. 7.
[4] For a description of the Aroras see p. 212.

be a non-agriculturist, and in the canal colonies, though he may be as much an absentee as the zemindar, he looks after his land as he would after any other kind of investment, and occasionally attempts to develop it. This a member of the landed gentry rarely tries to do; and in the western Punjab (as in Sicily[1]), instead of improving it, he is more likely to mortgage it in order to purchase more.

Amendment of the Act

It may, therefore, be doubted whether the townsman will be more of a burden on the land than the wealthy zemindar, for whom, as a rule, there is little enough to be said. It is even possible that, with his superior education and commercial flair, he may introduce the very element that a backward rural society requires; and in any case he should provide a useful stimulus to the ordinary landlords, who will be all the better for a little competition. It should also be remembered that the urban landowner of the future will not be quite the same as the non-agriculturist of the past, who was generally nothing but a money-lender and trader combined, for in the last thirty years a new educated class has sprung up in the towns, which, if it could be persuaded to study rural problems, might do something for their solution. In the writer's opinion, therefore, the time has come to consider whether the Act should not be amended. Repeal is not practical politics, nor probably is it yet desirable. But the moment has perhaps arrived to exclude the canal colonies from its operation. The canal colonist of to-day is a very different man from the helpless peasant of the past, and it is difficult to believe that he still requires protection.[2]

The whole question of agricultural progress will perhaps appear in clearer perspective if we compare the Punjab with

[1] *Inchiesta Parlamentare*, op cit., vi (1), 169.

[2] In this connection the following extract from the report of a committee, appointed by the Bombay Government in 1920 to consider the repeal of the Deccan Agriculturists' Relief Act is interesting :—

'It must be acknowledged that since 1912 the economic condition of agriculturists as a class has much improved, and it promises to improve still more as the country advances in industrial development. We think, therefore, that the time has come for bringing agriculturists under the provisions of the law which apply to other classes.'

some other country faced with similar problems. For this purpose the obvious country is Japan, and, thanks to a remarkable book published in 1922,[1] comparison is possible. The book deals almost entirely with rural Japan, through which the author toured again and again, and, as we journey with him from village to village, we are constantly reminded of the Punjab and its problems. The very word 'problem' was as new to the Jap thirty years ago as it is to the Punjabi to-day, and a word had to be coined to express it in the language. It is true, of course, that the two countries are in many respects profoundly different; that Japan, for example, is girdled by the sea and is nearly all valley and hill, and that the Punjab is circled by desert and mountain and is nearly all river and plain. But agriculturally they have one fundamental fact in common—the predominance of the small holder. The ordinary Punjabi cultivates eight or ten acres, the Jap less than three.[2] For the latter, civilized existence would be impossible but for the rearing of silk-worms, which is the great subsidiary domestic industry of the country. In the Punjab, and in India generally, the small holder too often tries to live entirely by the produce of his land, without even adopting any of the ordinary forms of intensive farming. In Japan, this is known to be impossible, and though half the land is under rice and heavily manured, two million peasant families, or more than one-third of the whole, find it necessary to rear silk-worms as well, and the number is daily increasing.[3] The result is that the people, though poor and with less natural resource, are able to maintain a higher standard of living than is possible in the Punjab. Japan, indeed, with only a slightly larger area, maintains a population two and a half times as large;[4] and, what is more, 47 per cent of the Punjab is cultivated[5] against only 15½ per cent of Japan.[6] These are figures which should make the Punjab ponder deeply.

Punjab compared with Japan

[1] Robertson Scott, *The Foundations of Japan*. [2] *Ibid.*, p. 89.

[3] In four years the number has risen by 500,000. *Ibid.*, p. 89.

	Area		Population
[4] Japan ...	142,000	sq. miles	55,961,140 (1920).
Punjab ...	136,925	sq. miles	20,685,024 (1921).

[5] *Census of India*, 1921, xv, 10. [6] Op. cit., p. 89.

The problem of population underlies all agricultural problems in Japan. In less than forty years (1882-1918) it has increased by 55 per cent,[1] and the struggle for existence is now so severe that the cultivator is compelled to make the land yield him its utmost. That he has succeeded may be judged by the fact that in little more than thirty years (1882-1913) the production of rice has increased by 63 per cent.[2] Nor, in the main, is this due to the extension of cultivation, which amounts to only 17 per cent, but rather to the unflagging industry of the people and to the admirable organization of Government and people combined. We have seen above that in an Eastern country agricultural progress will never be achieved without organization, as the forces arrayed against it are too great to be combated by individual effort alone. This is realized in Japan, and her task has been greatly simplified by the ardent patriotism of the people, which manifests itself almost as much in the humdrum life of the village as in the more conspicuous fields of politics and war. The innumerable local organizations, which have sprung up throughout the country, are an example of this. There is hardly a village without its agricultural association;[3] that is to say, there is hardly a village without the leaven of progress. In one, 322 manure houses have been built; in another, plum trees have been planted 'to meet communal taxation';[4] and in a third, with only 2,000 inhabitants—such is the passion for organization—there are two co-operative societies, an association for young men, another for young women, a society for 'promoting knowledge and virtue', two thrift organizations; and finally—a smile may be forgiven—an association of those who 'aim at becoming distinguished'.[5] To us in the Punjab the chief interest of these associations is that they are tackling precisely the same problems that we are faced with here. For instance, fragmentation once hampered development in Japan almost as much as it still does with us. But large areas have now been consolidated, and in some cases so thoroughly that cottages have been moved to new sites and even bones to new cemeteries. So, too, with

Japanese Organization

manure. Japan is well aware that to maintain a large population upon a small area in decency and comfort, abundant manure is essential. Almost nothing, certainly not night soil, is wasted. Issuing from every town may daily be seen strings of manure carts on their way to the surrounding villages, where what cannot be used at once is carefully stored in concrete cistern or sunken butt.[1] In this way over £20,000,000 goes into the soil every year.[2] Compare this with the Punjab, where there is little attempt at storage, and where most of the manure that should go into the soil is used for fuel.

Japan has every reason to be proud of her achievement, but, in the village at least, there is nothing in what she has done that is beyond the power of the Punjab. The Punjab has the double advantage of having a larger cultivated area to support a much smaller population. In Japan, only 30 per cent have over 2½ acres to cultivate against over 60 per cent in the Punjab.[3] The consequence is that both agriculture and population would appear to be approaching the limit of development. As a Jap remarked, 'In Old Japan the agricultural system has become dwarfed; the individual cannot raise the standard of living, nor can crops be substantially increased; the whole economy is too small; the people are too close to the ground'.[4] This, too, as we have seen, is the case in part of the Punjab; but, whereas the latter could at once improve its position by changing its system and its prejudices, in Japan so much has already been done that it is difficult to know what to do next. In this respect, therefore, the Punjab is in the happier position of the two. Some may think that Japan is blest in its climate, but it is not markedly superior to that of the Punjab. Both countries are braced by extremes of heat and cold, and, if the heat of the Punjab is more severe, its climate is anyhow drier;[5] and, if we may judge by the stature of the people, this is a more invigorating condition of life. The Punjabi, too, thanks to his canals and his climate, is able to live mainly upon wheat, while the Jap 'eats rice for breakfast, rice for lunch, and rice for dinner',

[1] Op. cit., p. 49. [2] Op. cit., p. 386.
[3] W. M. McGovern, *Modern Japan*, 1920, p. 234, and *The Agricultural Journal of India*, xxi, p. 109. [4] Op. cit., p. 362.
[5] The climate of Japan is described as 'bitterly cold in winter, stiflingly hot in summer, and moist and humid at all times' (McGovern, *op. cit.*, p. 2[illegible]).

which is not usually a stimulating diet. One important advantage Japan certainly has. Her ample water supply, derived from mountain and hill, saves her from the insecurity of a large part of the Punjab. According to an old Japanese proverb, the four things to be dreaded are 'earthquake, fire, parents, and lightning'.[1] How much more formidable to agriculture are the two great scourges of the Punjab, drought and disease. On the other hand, probably nowhere in Japan could so prosperous a rural community be found as the Lyallpur colony.[2]

The Industrial System in Japan

Another advantage that most people in this country will attribute to Japan is her industrial system. This is too big a question to be discussed here, but it may be remarked, by way of warning to industrial enthusiasts, that there are many indications in Mr. Scott's book of its evil effects upon the life of the people. No doubt it has made the population of 56 millions a possibility, but a big price has had to be paid. We read again and again of overworked and half-demoralized girls toiling, for instance, from 5.30 in the morning till 6.40 in the evening, with only 20 minutes off for each meal;[3] or worse, of 1,000 girls in another factory starting before dawn at 4.30 and going on till 7 at night, with only two short stoppages for food, hours which would be impossible but for a two months' holiday taken during the slack season of the year.[4] Apparently a factory law forbids a woman working more than 12 hours a day, but special permission can be obtained for another two hours, and, while permission is frequently granted, prosecutions for breach of the rule are rare.[5] As over half the factory workers are women and mostly girls,[6] it can be understood that the effects

[1] J. H. Longford, *Japan and the Japanese*, 1912.

[2] Japan, too, has her colonization area in Hokkaido, the most northerly of her four principal islands, but colonization is hampered by the climate, which is bitterly cold and makes the growth of rice, the one crop thoroughly understood by the Jap, a matter of considerable difficulty.

[3] Op. cit., p. 163.

[4] Op. cit., p. 161.

[5] Op. cit., p. 171. The Factory Act Amendment Act of 1923, which came into force on 1 July, 1926, prescribes a maximum of 11 hours for women and children under 16 (*Bombay Labour Gazette*, July 1926, p. 1090).

[6] In 1922, out of 1,691,019 factory hands, 856,705 were females: in British India there were 1,293,344 factory hands, of which only 16 per cent were females (*Ibid.*, pp. 1084–85).

of factory life are not very wholesome. The peasants know this well enough, but they are too poor to forgo the addition it brings to their income.[1] Our author gives his final impression of one of the most important industries in the country in the following weighty passage: 'The silk industry, as I saw it, was exploiting, consciously or unconsciously, not only the poverty of its girl employees but their strength, morality, deftness and remarkable school training in earnestness and obedience'.[2] The Punjab need not, therefore, regret that at present her only industry of any importance is agriculture.

Agricultural Debt Compared

A more serious disability is the amount of her debt. In this respect Japan has undoubtedly the advantage, as the following figures show:—

	Farmers' debt	Families supported by or engaged in agriculture
Punjab	£60,000,000[3]	2,636,598[4]
Japan	£90,000,000[5]	5,561,053[6]

Though the agricultural population of Japan is roughly double that of the Punjab, her debt is only 50 per cent greater. In Japan debt is evidently lighter in incidence, and it would also appear to be less widespread. In one prefecture the average debt is put at Rs. 120 (80 yen) against an average income of Rs. 525;[7] and in another, 65 per cent of the people are said to be in debt, but only 'in bad times'.[8] These figures are much below anything to be found in the Punjab outside the canal colonies. And in this connection a remark about a prosperous village, that 'a man in an average position will lay out 200 yen (Rs. 300) on his daughter's wedding', is significant, for where is the prosperous village in the Punjab of which it could be said that so little was spent?

[1] Op. cit., p. 163. [2] Op. cit., p. 169. [3] See p. 16.

[4] The number of persons supported by agriculture is 11,864,688 (*Census of India*, 1921, xv, 375). Assuming 4·5 persons per family, we get the figure given above.

[5] Nine hundred million yen (10 yen=£1), Robertson Scott, op. cit., p. 364.

[6] Kiyogi Ogata, *The Co-operative Movement in Japan*, 1923, p. 86.

[7] Op. cit., p. 284. [8] Op. cit., p. 195.

To sum up, if Japan has one advantage, the Punjab has another, and there is nothing to prevent the latter emulating the achievements of the former. Thirty years ago, Japan was probably not as advanced as the Punjab is to-day. The people were illiterate, methods primitive, and even a custom like infanticide was common. Now, however, education is compulsory (though not free), methods have been improved, domestic industries developed, and a new spirit awakened. Something of the same must be done in the Punjab. If domestic industries cannot be developed, at least debt can be reduced, holdings consolidated, and some of the obstacles imposed by custom or prejudice removed. Organization, too, can be widened and strengthened, and the cultivator taught to work, not only harder but better, and to depend more upon himself and less upon Government. What is more difficult, but even more vital, is to replace the bitter communal rivalries of to-day by a healthy national patriotism. Unless this is done, everything else will be in vain.

CHAPTER X

THE MONEY-LENDER

IN the last two chapters we have travelled a little beyond the main field of our enquiry, which is the study of rural indebtedness. For this no apology is needed, as the rise in the standard of living and the possibilities of agricultural progress are intimately connected with the question of debt, to which we must now return.

Recapitulation of the Causes of Debt

So far, in examining the causes of debt, we have confined ourselves almost entirely to those that *compel* a man to borrow, and have said little about those that *enable* him to do so. The loans that arise from drought and disease, uneconomic holdings and the extravagant obligations of marriage, all spring from necessity; but necessity is not of itself sufficient to account for debt, still less for its volume. Before a loan can be had, there must be some one to lend, and before a prudent man will lend, he must be satisfied that his loan will be repaid. In other words, debt postulates not only a debtor but also a creditor, and, not only a need but also security; and in a country like India, where need is great and improvidence general, it may be said that the better the security, the greater the debt. The explanation of this tendency, which will be discussed at length in the next chapter, is to be found in the vicious system of money-lending in force in the country, which, while encouraging the cultivator in his improvidence, exploits his resources. Of this system something has already been said in connection with the western Punjab, where we saw the money-lender manipulating the necessities of the cultivator to his own advantage and dominating the whole production and distribution of wealth. Till recently, with only a difference of degree, this was true of the whole Punjab, and it is hardly an exaggeration to say that no single factor has more banefully affected the development of the province or is more likely to retard it in future. It is important, therefore, that the money-lender and his methods should be studied, and this is the object of the present chapter.

Money-lending in the Past

Money-lending, using the word 'money' in its widest sense, is one of the oldest trades in the world, and even to this day all commerce is based upon it. Yet the curious thing is that everywhere and at all times the money-lender has had a bad name, and some of the most famous figures in history have categorically condemned the one thing that made it possible, the taking of interest in return. Moses, the lawgiver of the greatest race of money-lenders in the world, allowed it only to one who was not a Jew. 'Unto a stranger thou mayst lend upon usury, but unto thy brother thou shalt not lend upon usury, that the Lord thy God may bless thee.' Plato and Aristotle condemned it without even this distinction: 'Of all modes of making money', said the latter, 'this is the most unnatural'.[1] And the great Roman Stoic, Cato, so Cicero relates, upon being asked what he thought of usury, replied by asking his questioner what he thought of murder. A maximum rate of 12 per cent was fixed by the Romans but reduced by Justinian. The Canon Law went further and forbade interest altogether for any one who was not a Jew. This prohibition was based, partly upon a misunderstanding of Luke vi, 32, and partly upon one of the basic precepts of Christianity that a man should love his neigbbour as himself.[2] 'For God's will,' says an Elizabethan bishop, 'is that lendynge shoulde bee used as it ought to bee; that is to say freely, without hoape of any gayne at al, that charitie thereby might be the oftener exercised betwixt man and man.'[3] All through the Middle Ages, and for a century or two later, this view prevailed. Shylock's burst of temper—'I hate him for he is a Christian: he lends out money gratis'—indicates the English attitude in the sixteenth century. In 1545, an Act was passed sanctioning interest up to 10 per cent, but it was repealed in 1552 and Parliament 'forbade the taking of any interest whatever under pain of imprisonment and fine in addition to the forfeiture of principal and interest', declaring that all usury, as the taking of interest was then called, 'is by the word of God

[1] *Politics*, i, 10 (tr. Jowett).
[2] Buchenberger, op. cit., ii, 206.
[3] *A Discourse upon Usury by Thos. Wilson, 1572*, with introduction by R. H. Tawney, 1925, p. 259.

utterly prohibited as a vice most odious and detestable'.[1] But the fulminations of Parliament were powerless against the forces of the modern age which had just begun their irresistible advance, and the law was evaded, as laws against usury always are, by 'the payment of fictitious consideration, loans in the shape of wares priced at double their market value, stipulation for repayment of principal under heavy penalties at an impossibly early date, and loans in the guise of a share in a trading partnership in which the borrower agreed to bear all losses'.[1] Under Elizabeth, after the land question, usury was 'the most burning social problem of the day', and in 1571, the Act of 1552 was repealed and interest up to 10 per cent, though not formally allowed, became in practice admissible. But even this Act declared that 'usurie being forbidden by the Lawe of God is sinne and detestable', and a year later the good bishop quoted above wrote that usury 'is the babe of darknesse and it is inoughe to bring you to hell fier'.[2]

By the beginning of the seventeenth century, however, the battle in England was won. On the Continent the process of emancipation was slower, and fifty years later we find the Jesuits devising casuistical means by which usury could be justified. *'Ce serait usure,'* says one of them, *'de prendre du profit de ceux à qui on prête, si on l'exigeait comme dû par justice; mais, si on l'exige comme dû par reconnaissance, ce n'est point usure.'*[3] But, as modern commerce began to spread its golden meshes over the world, a change came over popular opinion, and the change was greatly facilitated by the substitution of the comparatively impersonal organization of the banker for the entirely personal system of the money-lender. Those who only know the former may be inclined to regard the lawgivers of old as narrow-minded and prejudiced, but no one who is familiar with the money-lender and his ways, which differ little in any country in the world, will have any difficulty in understanding their attitude.

[1] *Ibid.*, p. 132.
[2] *Ibid.*, pp. 2, 160, 169, 259.
[3] 'It would be usury to reap any profit from those to whom one lends, were it exacted as a right; but if exacted as due from a sense of obligation, it is not usury' (Pascal, *Les Provinciales*, *Huitième Lettre*).

Under modern conditions men borrow mainly for gain, but *in the old days they borrowed almost entirely from necessity;* and the primary necessity was that of keeping body and soul together. Surrounded by all the resources of civilization, it is difficult for most of us to realize the extent to which, till recently, village life in India was dominated by the fear of famine. We caught a glimpse of this in the southern Punjab, but only after road, rail and canal had greatly mitigated the danger. Before their advent, every one knew that sooner or later famine would return and sweep away thousands; and when this occurred the cultivator's only resource was the money-lender. Again and again *he must have been saved by a timely loan of grain, and it can* hardly be doubted that in all agricultural countries it was with the hunger engendered by famine that money-lending began. We get a hint of this in the poetry of Hesiod (700 B.C.), in whose mind, says Grote, debt and famine run together; and 250 years later, in the days of the Jewish prophet, Nehemiah, we find the same connection in the complaint of the Jews who had returned from captivity: 'We have mortgaged our lands, vineyards and houses, that we might buy corn, because of the dearth'.[1]

Its Origin in Famine

No necessity is greater than the necessity of hunger, and it does not require much imagination to understand how quick the ordinary money-lender would be to exploit it. It is not because he is initially worse than other men, but that in business, even to this day, *few can resist an opportunity of gain.* The money-lender, moreover, had the advantage of dealing with a man as simple and as ignorant as a child. Lord Acton once remarked that the number of men in the world's history who had enjoyed great power without abusing it could be counted on the fingers of one hand, a dictum that the money-lender in no way disproves. Many, however, have abused power without being banned by religion. The *reason for banning the money-lender is that* money-lending, if uncontrolled, sooner or later involves the bondage of the borrower, and in a primitive community the borrower is the cultivator of the soil, upon whose welfare depends

The Effect of this

the existence of the State, whether for defence without or subsistence within. Money-lending, therefore, was fraught with grave danger to the State, and no statesman could afford entirely to ignore its development. Even when not formally condemned by religion, it was usually controlled by law, custom or authority. In the case of the Jews mentioned above, the money-lenders were induced by Nehemiah to forgo their hold upon the mortgaged lands. Solon, on the other hand, who found the peasant proprietor of Attica reduced almost to the position of a serf, by a stroke of the pen cancelled all debts made upon the security of the land or the person of the debtor, and in addition debased the currency in favour of the latter.[1] The Romans, who had all the evils of usury to contend with, with more legal mind attempted to solve the problem by fixing the maximum rate of interest, but this is a remedy that has rarely succeeded, and Cicero, who tried to enforce a maximum of 12 per cent, failed in his effort.[2] Finally, we have the drastic methods adopted by King John, who had the teeth of his more extortionate money-lenders extracted.

Money-lending in India

Pre-Muhammadan India adopted a much more tolerant attitude towards the money-lender than did the West. 'Hindu law,' remarks Sir Raymond West, 'nowhere manifests that repugnance to the taking of interest which we, or at least our grandfathers, inherited from Rome and the Old Testament.' Even before the days of Solon, in almost Homeric times, we find mention of the usurer; and by the Buddhist period wives and children were already being sold for debt. The Roman method of regulating interest was tried, and a legal maximum of 15 per cent was fixed, but the law books of the time contain more than one allusion to the tendency of the money-lender to exceed it. In actual practice the rate varied from 15 to 60 per cent according to caste, and no doubt according to security. These minimum and maximum rates were subsequently confirmed by Manu, and it may also be said by time, for, as we shall see shortly, they are not very different from those prevailing to-day.[3] In an

[1] Grote, *A History of Greece*, iii, 315 (Everyman's Library).

[2] T. Rice Holmes, *The Roman Republic*, 1923, i, 131.

[3] For money-lending in ancient India see the *Cambridge History* for that period.

agricultural country like India, which is subject in a singular degree to pestilence and famine, the money-lender could always command a certain tolerance, and the guess may be hazarded that, had Islam arisen in the fertile plains of Hindustan instead of in the deserts of Arabia, its attitude towards the taking of interest would have been different.[1] Financing the village, marketing its produce and supplying its necessities, the money-lender in India frequently stood between the cultivator and death; and, as Sir William Hunter remarks, he represents the one thrifty person among an improvident population, 'without whose help the cultivator would have had nothing to depend upon but the harvest of a single year'. Whenever, therefore, we are tempted to revile him, we should remember that by his assistance to agriculture for 2,500 years he has made life possible for millions who must otherwise have perished or never been born.

Prior to British Rule

The basic fact that, when agricultural conditions are fundamentally insecure, the money-lender is essential, should make us pause before we accept the common assertion that he did not exist in any number before British rule. Actually such evidence as is available suggests that debt was as common then as it is now, though no doubt much less in amount. A more authoritative opinion could hardly be quoted than that of the Famine Commission of 1879, who state in their report that they have 'found no reason to believe that the agricultural population of India has at any known period of its history been generally free from debt'.[2] A year later Sir Alfred Lyall, speaking with an intimate knowledge of Rajputana, where the immemorial conditions of Indian life still prevailed, described the money-lender as 'a very powerful and indispensable personage' in Indian States.[3] In the Punjab, there is ample evidence to show that, when the province

[1] This attitude is expressed in the following verses of the Quran :— 'Those who swallow down usury cannot arise except as one whom the devil has prostrated by his touch does rise. That is because they say, Trading is only like usury; and Allah has allowed trading and forbidden usury' (ch. ii, 275). 'O you who believe! do not devour usury, making additions again and again' (iii, 129).

[2] Pt. II, p. 130.

[3] *Note on Land Transfer and Agricultural Indebtedness*, p. 10.

was annexed (1849), though security and credit were then at their lowest ebb, the money-lender was established all over the country, though probably only in the towns and larger villages. The official reports of the time prove this beyond a doubt; and there is an old proverb which says, 'Without the Guru, no salvation; without the money-lender, no reputation'.[1] In the central Punjab, as a result of the Sikhs collecting the revenue before the crop was cut, we read that 'the zemindar was forced to borrow money from the bania, who accommodated him at 25 per cent per annum interest'.[2] In a tehsil of the Amritsar district most villages are said to have 'two or three shops of village grocers and money-lenders', who are spoken of as 'great extortionists'.[3] In the neighbouring tehsil of Narowal, the cultivators are described as being 'in more than an ordinary state of indebtedness', and in commenting upon this the Commissioner remarks that the tract 'will never have a clear balance-sheet'.[4] In this he was right, for it now forms part of Sialkot, which, as we have seen, is one of the most indebted districts in the Punjab. In this same district, in 1853, it was estimated that 50 lakhs, probably equal to two crores to-day, were invested in loans and dealings in grain.[5] At about the same time the cultivators of Gujranwala were found to be 'entirely in the hands of their "*shahs*" (money-lenders), who reap all the profits'.[6] Further north, in Gujrat, a settlement officer reported in 1870 that the people still said that 'under Sikh rule they only existed through the money-lending class, and that each cultivator, whether proprietor or tenant, always found himself in debt to his Khatri for at least a six months' supply of household necessaries'.[7] Finally, for the western Punjab, there is a report of 1848, which states that there are few proprietors in Shahpur who have not an account with the Khatris of the district;[8] and

[1] *Guru bin gat nahin, shah bin pat nahin* (*Lahore S.R.*, 1873, p. 60).
[2] *Gurdaspur S.R.*, 1859, p. 21 (the settlement was concluded in 1854).
[3] *Amritsar S.R.*, 1854, p. 67.
[4] *Ibid.*, p. 146.
[5] *Sialkot S.R.*, 1865.
[6] *Gujranwala S.R.*, 1856.
[7] *Gujrat S.R.*, 1870, p. 105.
[8] Diary of Mr. L. Bowring dated 9 February, 1848 (*Punjab Government Records*, vi, 416).

Mr. Thorburn's statement that the money-lender was found in the Kurram valley when it was annexed.[1] And in this connection it is significant that in Afghanistan to-day he is a necessity.

Restraints upon the Money-lender

But if debt was as common then as it is to-day, the money-lender was not so powerful as he subsequently became under British rule. He laboured under two restraints, which the latter removed, or anyhow weakened. The first was the existence of a vigorous village community, which throughout the province was generally strong enough to hold him in partial check. Even to this day, in parts of Dera Ghazi Khan, where the Baloch tribes maintain their cohesion, the money-lender has to be wary in what he does. On the other hand, he is treated fairly, as the tribe cannot get on without him. As long as the individual cultivator is backed by village or tribe, he deals with the money-lender on a footing of comparative equality, and unconscionable bargains are usually avoided. The second check was the apathy of the State towards recovery. There were no formal courts of justice as there are to-day, and, if a man owed a *kirar* money and matters could not be arranged, the case went before the *kardar*, the local executive authority. 'The *kardar*,' we read, 'had the *kirar's* books examined, and on being told how much principal and how much interest was due, he would say, "Strike off so much interest". Then he would enquire how many cattle the debtor had, and he would be told so many. "And what are they worth?" "Rs. 10 each head." "Good! The *kirar* must take the cattle at Rs. 12 each in payment of his debt"—and everybody went off satisfied.'[2] Methods of this kind would, no doubt, be the rule where the *kardar* was friendly to the cultivator; but, if he was corrupt, harsher means might be adopted, and an ex-inspector of police from Gujranwala, who remembers the days of the Sikhs, told the writer that the usual method of bringing an obstinate debtor to book was to obtain his arrest by a timely gift to authority. This agrees with practice in Indian States forty years later, which Sir Alfred Lyall describes as follows: 'When a tenant in a Native State gets into difficulty, the money-lender is not put to the trouble of a resort to the civil court, where he may be required to prove his claim.

[1] Op. cit., p. 66. [2] *Montgomery S.R.*, 1874 p. 129.

The usual practice is for the revenue collector and the *kardar* to take his case jointly in hand, and to settle in consultation how much each is to take of the crop, and how little can be safely left for the subsistence of the debtor."[1] But whether the *kardar* was friendly or hostile, the money-lender would probably think it best to rely more upon personal influence than official action for the recovery of his debts, and would hesitate to antagonize a debtor into persistent default.[2]

Effects of British Rule—Influence of Civil Courts

For some time after the establishment of British rule these satisfactory conditions continued. The village communities retained their cohesion, and, though courts were everywhere set up in which debtors could be sued, suits against agriculturists were heard by the deputy commissioner and his assistants, who, with their intimate knowledge of village life, tended to decide them by the broad principles of equity, justice and good conscience, rather than by a rigid application of the law. Kindly feeling, therefore, prevailed between debtor and creditor till well into the sixties. In 1866, the Chief Court was established and pleaders were allowed to practise. Eight years later (1874-75), suits for debt were handed over to civil courts presided over by professional judges, called munsiffs, men trained in the straitest sect of the law, for the most part born in the town, knowing little of the village and often allied with the money-lender by caste if not by actual relationship. Owing, too, to the pressure of work, there was little temptation to go behind the bond, and the loose haphazard way in which the money-lender kept (and still keeps) his accounts, made it extremely difficult to disentangle the facts. Cases were too often rushed through and decided, as Mr. Thorburn says, 'on unreliable evidence by overworked munsiffs, helped by under-manned, under-paid, and consequently corrupt establishments, almost all town-bred men of the desk ignorant of rural affairs'.[3] The rigid application of

[1] *Note on Land Transfer*, etc., p. 10.

[2] The Deccan Riots Commission (1875) stated in their report that when British rule began 'the creditor received no assistance from the State in recovering debts, but had great license in private methods of compulsion'.

[3] An Additional District Judge, with 38 years' service to his credit, informed Mr. Thorburn that out of 30 munsiffs who had served under him only two had sought to do true justice between man and man (op. cit., Appendix II).

the law which ensued put the ignorant peasant entirely at the mercy of his creditor. 'Our civil legislation,' to quote Mr. Thorburn again, 'is based on the assumption that the large majority of men are thrifty, intelligent and business-minded, whereas the converse is the truth. The many are improvident, stupid and incapable of comprehending figures. . . . The few are men of business, inheritors for generations of the commercial instinct, to whom gain is the great object of life.'[1] Once the munsiff and the lawyer were enthroned in the courts, legality and chicanery were apt to be found in forced alliance, to the confusion of justice and equity, and, as a cultivator remarked, the law instead of being used as salt became the whole diet. The evil was by no means confined to the Punjab. In 1888, the Chief Commissioner of the Central Provinces stated that the villagers everywhere considered that they were being gradually ruined by the civil court;[2] and as early as 1876, the Deccan Riots Commission reported that 'the facilities for the recovery of debt by our civil courts had called into existence an inferior class of money-lenders dealing at exorbitant rates of interest with the lower strata of the agricultural poor'. Much the same influences appear to have been at work in Baroda, and probably no part of India escaped them.[3] With the establishment of civil courts and the decline of the village community the reign of the money-lender began. His power was first established in the submontane tract of the eastern Punjab, where the village community soon began to decay. In the west, tribal ties were strong enough to hold him in check for another decade, while across the Indus the rough and ready methods of the Frontier still make him walk with caution. Broadly however, his ascendency may be said to date from the seventies, and, characteristically, it began with a series of famines, which gave him the opportunity he needed.[4]

[1] Op. cit., p. 79. Sir Michael O'Dwyer shared Mr. Thorburn's view; see *Gujranwala Gaz.*, 1894, p. 86.

[2] *Note on Land Transfer*, etc., p. 105.

[3] See *Report on Agricultural Indebtedness in Baroda*, 1913, paras 76, 81 and 88.

[4] Mr. Thorburn states that in Sialkot, Gujranwala and Jhelum serious debt began in 1877 with the first period of scarcity after the establishment [illegible] civil courts for rural debt cases.

Meanwhile, other influences were working in the same direction. Under the Sikhs, the fruits of the earth were almost entirely absorbed in maintaining the State and its officials in plenty, and the cultivator and his dependents in penury. With the establishment of a beneficent Government and a comparatively lenient revenue assessment, the cultivator's position was entirely changed. Instead of having to meet a fluctuating demand varying with the caprice of local authority, he knew exactly what he had to pay and in a good harvest found himself with a substantial surplus, which he could dispose of as he pleased. Moreover, with greater security, better communications and growing towns, this surplus could always be marketed. When there were only unmetalled roads for the circulation of trade, grain could be sold to advantage within only the narrowest radius. With difficulty was Gujranwala wheat sold in Lahore, 42 miles away,[1] and as late as 1858 a bumper harvest rotted in the godowns of Amritsar.[2] Three years later, with the opening of the first railway in the Punjab (from Amritsar to Lahore), the great change from mediæval to modern conditions began. The same year (1861) saw the opening of the Upper Bari Doab Canal, the first of the great canals that have revolutionized the trade of the province. By 1870 goods could be booked to Bombay, Calcutta and Karachi;[3] and by 1872 there were over 400 miles of railway, 1,000 miles of metalled roads, and 2,750 miles of canal; trade increased by leaps and bounds; wealth followed in its train, and in the village a money economy began to replace the old system of modified barter.[4]

The Rise in the Value of Land

These tendencies naturally varied with the proximity of each locality to road, rail and canal; but everywhere, in greater or less degree, they had one important effect. Land which had been almost unsaleable began to have value. In the later years

[1] So the writer was informed by one who lived in those times.

[2] See *Narowal A.R.*, 1850–59, 146.

[3] To Karachi from 1865 and to Bombay and Calcutta from 1870 (*Indian Journal of Economics*, April 1926, p. 432).

[4] The *Ludhiana Settlement Report* of 1853 (p. 13) states that in certain parts of the district 'it would scarcely be saying too much to say that, excepting the village headmen . . . none others possess the ordinary use of money'.

of Sikh rule, owing to the general insecurity and the exactions of those in authority, no one would buy it; but with the advent of security and good government, of a fixed assessment and rising prices, it became an object of general desire. In some parts of the province this did not occur till well into the sixties, but by 1870 it was universal, and for the first time in his history, the peasant proprietor of the Punjab found himself in possession of a valuable asset. The few acres which in the past had fed and clothed him with difficulty were now a source of comparative wealth, and it is at this period that the standard of living begins to rise and the money-lender to tighten his hold. The one to some extent led to the other. Desiring an investment for his rapidly increasing capital, and relying upon the ever-rising value of land for repayment, the money-lender proffered his advances with the utmost readiness. Few could resist the temptation, and partly from necessity—about this time there was a series of famines—and partly from a desire to gratify new wants, the small holder began to borrow more freely than he had ever done before. The mortgage that was rare in the days of the Sikh appeared in every village, and by 1878 7 per cent of the province was pledged.[1] In Amritsar, at much the same date (1880), there were 798 mortgages, against only 23 recorded before 1865,[2] and in Jullundur over fourteen lakhs were raised by mortgage in the seventies (1871-81) against only Rs. 40,000 in the fifties.[3] By 1880, the unequal fight between the peasant proprietor and the money-lender had ended in a crushing victory for the latter, and, as some one said, apropos of the wealth that was pouring into the country, the money-lender got the oyster, while Government and the cultivator each got a shell. For the next thirty years the money-lender was at his zenith and multiplied and prospered exceedingly, to such good effect that the number of bankers and money-lenders (including their dependents) increased from 53,263 in 1868 to 193,890 in 1911.

In the last ten years, however, there has been a change. Throughout the province the power of the money-lender has

[1] *Note on Land Transfer*, etc., p. 44.
[2] *Amritsar S.R.*, 1892, p. 73.
[3] *Jullundur S.R.*, 1881, p. 70.

been challenged, and he is no longer the despot he was. To understand this we must go back to the eighties. In 1886, Mr. Thorburn published his remarkable book, *Mussalmans and Money-lenders in the Punjab*, in whicb the money-lender's dominance was vividly depicted. Exhaustive official enquiry followed, which established beyond a doubt that the money-lender was slowly eating his way into the heart of the village. Mortgages, which in the early seventies had averaged only 15,000 a year, twenty years later (1888-93) averaged over 50,000;[1] and in ten years the annual increase in the area under mortgage rose from 165,000 acres (1875-78) to 385,000 (1884-88).[2] Writing about this time, Sir James Lyall, the Lieutenant-Governor, remarked that 'under the influence of indebtedness and our present law and civil court procedure, transfers of land were proceeding in all districts in an increasing ratio, and in many with dangerous rapidity'.[3] For twenty years the money-lender had been entirely uncontrolled by either law, custom or authority; and in this brief space a situation had developed not unlike that which confronted Solon 2,500 years ago. For ten years all the old remedies for usury and many new ones were propounded and discussed; and at last, as the new century opened, the bull was taken by the horns and the Land Alienation Act was passed (1901). Henceforward, the professional money-lender could not dispossess an agriculturist from his land for more than twenty years. In other ways, too, the cultivator's legal position has been strengthened, and now he cannot be evicted by a civil court without the intervention of the revenue authority; his plough-cattle, implements and seed cannot be attached; if he is sued, interest charges can be examined and, if necessary, reduced;[4] and when he dies his ancestral land is not liable for the payment of his debts, unless they are charged upon it.

Change in (a) The Cultivator's Legal Position

If his legal position has been strengthened, his economic position is also much stronger than it was. Three years after

[1] *Note on Land Transfer*, etc., pp. 35, 44.
[2] *Ibid.*, p. 249.
[3] *Ibid.*, p. 93.
[4] Under the Usurious Loans Act of 1918.

the passing of the Land Alienation Act the co-operative movement was started and the first village bank established. The money-lender could now be dispensed with, and loans could be had at 12½ per cent instead of at anything up to 75 per cent. For many years, however, the peasant with characteristic distrust turned his back on the movement. Such, too, were his ignorance and isolation that it was some time before he began to realize how much his position had improved under the law. Up to the war, therefore, the money-lender still dominated the village, and, finding his clients as docile as ever, continued to lend as freely as before. The peasant had not yet reached the level at which rights are understood and grievances expressed. But since 1914, a change has begun which is likely to have far-reaching effects. The war has stirred the stagnant waters of village life. A new spirit is abroad and the villager is no longer the ignorant, submissive, helpless creature that he was. A province that has sent its thousands, almost its tens of thousands, to every part of the world to fight is not going to be bled white by a class that it regards as little better than a parasite. Inspired by this awakening, the co-operative movement has developed beyond the wildest hopes of its infancy, and with its 13,500 village banks has become a formidable rival to the money-lender all over the province. As in other countries, too, the war, with its high prices for produce, has brought to many cultivators a prosperity undreamt of in the past. The standard of living has risen accordingly, and this, combined with the effects of the war, has produced the first stirrings of self-consciousness in the village. After centuries of acquiescence, the villager has begun to take stock of his position and to ask himself whether he need continue any longer in the hands of money-lender, middleman and lawyer. The movement that attacks the money-lender through the village bank has opened commission shops to oust the middleman, and arbitration societies to dispense with the lawyer. In parts of the central Punjab, the professional money-lender is definitely beaten. In Lahore, Amritsar and Hoshiarpur his power is not one-tenth of what it was, and round Jullundur, he is said to be almost extinct and to have been replaced by village banks and the agriculturist money-lender, of whom something will be said later. Even in Multan,

(b) *His Economic Position*

one of his strongholds, his grip is not as firm as it was, and in Rohtak, at another extremity of the province, the village gathering no longer finds him always sitting at the head of the charpoy, but more often at the foot, a small but significant sign of the change of the times. Hardly anywhere is the money-lender quite as influential as he was, or the cultivator quite as ignorant; and as the position changes, recovery becomes increasingly difficult. In the central Punjab, capital is being slowly withdrawn from money-lending and invested in the less troublesome sphere of trade; in more than one district money-lenders have migrated from village to town, and in Jhelum and Multan some are finding it more profitable to farm instead of to lend.

But the battle is by no means won. The prosperity following the war already shows signs of decline. Prices have fallen and population is increasing; the last four harvests have been good; the next four may be bad, and it is a series of bad harvests that gives the money-lender his chance. During the drought of 1920-21 he was found to be as indispensable as ever. Nowhere, not even in Jullundur, are village banks yet strong enough to tide the majority over a crisis. When seasons are bad, all but co-operators have to turn to the money-lender for help. The cultivator's position, therefore, is stronger in law than in fact. Even in the prosperous district of Lyallpur large sums are being borrowed to buy land in the new colonies of Bahawalpur, Bikaner and Sind. In the adjacent district of Jhang and throughout the western Punjab the money-lender continues to dominate, and in Multan he still 'tries his level best to get his pound of flesh by all means, fair or foul'.[1] In most of Dera Ghazi Khan, the cultivators 'live and move and have their being' in their *kirars*,[2] and the same is true of the whole of Muzaffargarh. In Rawalpindi in the north, and in Karnal in the south, things are much as they were twenty years ago, and, speaking broadly, it may be said that in none of the less central districts is the money-lender's power seriously shaken. A hopeful sign is that the latest census figures suggest that he is declining in number; but, though this is marked in the central districts, in Rawalpindi, Ferozepore and Karnal there has been an increase of over 10

[1] *Lodhran A.R.*, 1920, p. 26.
[2] *Dera Ghazi Khan A.R.*, 1919, p. 14.

per cent and in Rohtak and Hissar of over 50 per cent.[1] It would seem as if defeat in one area were made good by gains in another; and it is still the case that one out of every five income-tax payers is a village money-lender,[2] and that the percentage of money-lenders to the population is three times as great in the Punjab as in the rest of British India.[3] The money-lender's profits, says Mr. Calvert, 'probably exceed those of all the cultivators put together. Beside him, the professional class is inconsiderable; the industrial class is insignificant; even trade and commerce take second place.'[4]

The Money-lending Castes

So far we have spoken of the village money-lender, 'half shopkeeper, half lender and wholly usurer', as if he belonged to a single caste. This, of course, is not the case. Excluding the agriculturist money-lender, most of the money-lending of the Punjab is in the hands of three castes; the Bania or Aggarwal, the Khatri and the Arora, all necessarily Hindu and all probably allied to each other in origin, though now distinct.[5] Though there is much overlapping, broadly they may be said to have partitioned the province between them. South of the Sutlej the Bania prevails; in the central Punjab the Khatri, and throughout the west the Arora.

(a) The Bania

The Bania, being the most timid of the three, is the most subtle and insidious. 'Heel ropes of silk and a bridle of munjh' is his motto,[6] and the former always comes first. He is well described by Tavernier, and the description, though penned 250 years ago, is worth quoting, as it is still substantially true. 'The members of this caste,' he

[1] *Punjab Census Report*, p. 361.

[2] In 1927, out of 30,678 assessees 5,498 were village money-lenders.

[3] See figures for persons supported by 'banks, establishments of credit, exchange and insurance', in *Census of India, 1921*, i, 280–81.

[4] Op. cit., p. 130.

[5] The Muhammadan Khojas of Chiniot and Sharakpur do a good deal of money-lending, but this derives from the time when they were Hindus. They are said to be even more exacting than the Hindu *kirar*, who is sometimes compared to a toothed drag-rake, which leaves something behind, while the Khoja is likened to a muck-scraper, which leaves nothing (*Kirar dandali Khoja phahora*)—a good instance of how little power religion has over business.

[6] *Pat di pichhari te munjh dian wagan.*

says, 'are so subtle and skilful in trade that they could give lessons to the most cunning Jews. They accustom their children at an early age to shun slothfulness, and, instead of letting them go into the streets to lose their time at play, teach them arithmetic, which they learn perfectly, using for it neither pen nor counters, but the money alone, so that in a moment they will do a sum, however difficult it may be. . . . If anyone gets into a rage with them they listen with patience without replying anything, and they withdraw coldly, not returning to see him for four or five days, when they believe his rage to be over.' It is characteristic of the Bania that in times of scarcity his superstitions are as much directed to prevent a fall of rain as the cultivator's are to secure it. A lamp is filled with *ghi*, and, if the light is blown out, it is thought the clouds will scatter and prices go up. Or, if rain begins to fall before this can be done, it can be stopped by filling a pitcher with rain water and burying it where it can catch the discharge of a water-spout from the roof of a house.[1]

(b) *The Khatri*

The Khatri is a man of different mettle. Allied to the great warrior caste of the Kshatryias, though he can claim no great distinction in the field, he has often been to the fore in the council chamber. Akbar's famous minister, Todar Mal, and the great governors of Multan, Sawan Mal and Mul Raj, were all Khatris, and so was the founder of the Sikh religion, the saintly Guru Nanak, and the nine Gurus that followed him. The caste is still the most influential in the Punjab, both in administration and trade, and is noted for its capacity and shrewdness. 'Even if a Khatri puts ashes on his head,' says the proverb, 'he will make a profit.'[2] Owing to his varied interests, he is perhaps less exacting than his rivals and a trifle more human. He shares readily in the life of those around him, and in the north will tent-peg with the boldest of his clients. As, however, co-operation and prosperity spread, he tends to prefer the financing of trade to the financing of agriculture.

If the Khatri is the best of the three money-lending castes,

[1] H. A. Rose, *A Glossary of Tribes and Castes*, 1919, vol. i, p. 132.

[2] *Je Khatri sir kheh pāwe*
To bhi Khatri Khatt liāwe.

the Arora, or the Kirar, as he is commonly called, is the worst.

(c) *The Arora*

'Even if they sleep, do not trust a crow, a *kirar* or a dog',[1] says another proverb. With the craft of the Bania, the enterprise of the Khatri, he has a tenacity and thoroughness all his own. We have already come across him in Muzaffargarh and Dera Ghazi Khan, and we saw there how strong a hold he can obtain over both cultivator and land. Often a good farmer, even when he does not actually drive the plough, he looks after his land with care, and any improvement to be found in his neighbourhood is generally due to his capital, industry and thrift. He will turn his hand to anything that promises gain, and may be found weaving baskets and mats, beating out vessels of copper and of brass, working as a goldsmith, or even plying the tailor's needle and thread. 'When an Arora girds up his loins, he makes it only two miles to Lahore.' The rude primitive conditions of the western Punjab and the Frontier—he is to be found all down the Indus and the lower reaches of the Jhelum, Chenab and the Sutlej—have developed in him a hard energy of character flavoured with a taste for adventure. He has penetrated into Afghanistan, and even further afield into Central Asia. In Afghanistan, says Sir George Campbell, 'he is confined to the position of humble dealer, shopkeeper and money-lender; but in that capacity the Pathans seem to look on him as a kind of valuable animal; and a man will steal another man's Khatri not only for the sake of ransom . . . but also as he might steal a milch cow'[2]—a remark which illustrates the importance of the money-lender in a backward community and also his subordination where tribal ties are strong. The Arora is a useful servant, but an exacting master. For centuries he was nothing but a servile adjunct to the Muhammadan cultivator, who despised him as much for his religion as for his trade. Forbidden to wear a turban, and allowed to ride only on a donkey, and often the object of 'unmentionable indignities',[3] sufferance was the badge of all his tribe; but

[1] *Kān kirār, kuta dā.*
Visāh nā kije sute dā.

[2] The passage which is quoted from the *Ethnology of India*, though it mentions the Khatri, evidently applies to the Arora, who is much the more numerous of the two and controls most of the money-lending in Afghanistan.

[3] *Muzaffargarh Settlement Report*, 1880, p. 60.

AN ARORA MONEY-LENDER

ONE OF HIS VICTIMS

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when British rule freed him from restraint and armed him with the power of the law, he became as oppressive as he had hitherto been submissive. 'Shylock,' says Mr. Thorburn, 'was a gentleman by the side of Nand Lal, *kirar*, as Shylock, though he spoiled the Gentiles, was yet a man of honour. Nand Lal has none, commercially speaking. His greed for gain, the shameless effrontery with which he adds 50 per cent to a debt, calls the total principal, causes his debtor to execute a bond for that principal with interest at 36 per cent per annum more, a year or two after strikes a balance against his debtor and cajoles or wearies him into mortgaging to him an ancestral plot of good land or its produce, on the understanding, carefully excluded from the deed, that the mortgagor is to remain in cultivating possession, have entirely alienated the sympathies of district officers from men of his calling. Such hard business qualities make him feared, hated and despised by the agricultural classes.'[1]

[1] *Mussalmans and Money-lenders in the Punjab*, 1886, p. 37.

CHAPTER XI

THE MONEY-LENDER'S SYSTEM

The Money-lender's Objects

THE money-lender's system must now be examined, and to understand it we must first consider his objects. Mr. Calvert states that he conspired not for the land but the crop.[1] This was certainly the case under Indian rule, for land was then of little value and difficult to acquire; nor had the ordinary Bania or Khatri either aptitude or inclination to farm it. Being, too, a shopkeeper as well as a money-lender, he preferred to get the produce, on which, without much effort, he could reap a double profit, one from the producer to whom he lent and the other from the consumer to whom he sold. He was, therefore, content with the crop, and shared with the State the whole of the cultivator's surplus. This continued to be the case for the first twenty years of British rule, the only difference being that, with fixed assessments, the lion's share of the produce went to the money-lender instead of the State. After 1870 circumstances changed: land became a first-rate investment which was always rising in value. As soon as he realized this, the money-lender began to use it as an outlet for his rapidly accumulating capital, and, finding the investment more and more profitable, sought with increasing ingenuity to get the cultivator into his clutches and oust him from his land; and it was always the better land he coveted; the inferior he avoided. In Hissar, owing to a series of famines, he was able to impose such hard terms in his mortgages that a mortgage nearly always ended in sale.[2] In less than twenty years (1875-93) he succeeded in acquiring 1,179,000 acres in different parts of the province,[3] and in the single district of Gujranwala he purchased over half the land sold during this period.[4] It was this phenomenon, as much as anything else, that led to the passing of the Land Alienation Act. Since then he has had to be content with the produce only. But whether

[1] *Op. cit.*, p. 124.
[2] *Hissar Gaz.*, 1915, p. 168.
[3] *Note on Land Transfer*, etc., p. 249.
[4] *Ibid.*, pp. 50-52.

it was the land or the produce he wanted, there was nothing he desired less than repayment in full, for that meant the loss of a customer as well as a client, and difficulty perhaps in finding a fresh outlet for his money. Happily for him the rates of interest in India have always been so high that it may almost be said, 'Once in debt, always in debt'. For this, however, he is not entirely to blame.

Rates of Interest

Rates of interest ordinarily vary with the amount of money available and with the risk incurred in lending it. In India, before British rule, money can never have been plentiful, and the risk in lending it must always have been great. This risk lay in the poverty of the borrower and the insecurity of the harvest. In case of default the cultivator had little that could be seized, and by custom his land was virtually inalienable. Repayment depended entirely upon the harvest, and, if a series of harvests failed, it might well be impossible. Rates of interest, therefore, have always been high compared with western, though not with southern, Europe.[1] In ancient India, as we have seen, they varied from 15 to 60 per cent. Prior to British rule, the common rate was 25 per cent for cash and 50 per cent for grain.[2] These rates continued for a generation later,[3] but as money became more plentiful and agriculture more secure 18¾ per cent came to be generally adopted for cash and 25 per cent for grain. In districts like Jullundur and Lyallpur, where there was a plethora of money, the cash rate fell to 12 and even 6 per cent; conversely, in the more backward districts it did not fall at all. Recently, however, owing to a general scarcity of money in rural areas—

[1] In western Europe the rates for loans on good security are said to have been as follows (Keatinge, *Rural Economy in the Deccan*, p. 91).

A.D.			per cent
1400	...	...	10
1500	...	...	8
1600	...	..	6¼

The Italian report quoted on p. 30 shows that till recently the common rate in Southern Italy and Sicily for an unsecured loan was 15 to 25 per cent for one in cash and 25 to 50 per cent for one in kind. These rates are curiously like the Indian rates.

[2] See *Gujrat A.R.*, 1870, p. 105.

[3] See *Gazetteers* of Ferozepore (p. 84), Sialkot (p. 78), and Jullundur (p. 41), all of 1883; also *Punjab Famine Report*, 1878–81.

so great that loans even against jewellery were sometimes refused—the rates have risen abruptly, a change accentuated in the central Punjab by the difficulty experienced in recovery, and in the less secured districts by the drought of 1920-21. In some areas rates have actually doubled, and in at least one district (Hazara) they rose to over 50 per cent.

These rates are for unsecured loans, and by no means hard and fast in their application. A large landowner with an unencumbered estate will pay considerably less, and a small proprietor who is heavily involved considerably more. For secured loans rates are comparatively low. A loan against jewellery can generally be had at 12 to 18 per cent,[1] and against land at 9 to 12 per cent; and in the case of the latter, if possession is given, the return will probably not be more than 4 to 6 per cent. But, outside the central Punjab, the unsecured loan is the commoner of the two, and if we strike an average for both, the peasant proprietor of the province can hardly pay less than 15 per cent on his debt. If this is correct, the fact is important, for it means that, till rates are reduced, agricultural progress cannot proceed very far. No country in the world would have developed on modern lines, if it had had to pay 15 per cent for its capital. Actually, such is the hunger for land, people have been borrowing at 18¾ per cent to get a footing in the new canal colonies, with the result that money that should go to development has to go to the money-lender instead.

Compound Interest

But things are even worse than they seem. In the old days compound interest was limited by custom to 50 per cent for cash and 100 per cent for grain (*dam dude, jins dune*). Under British rule custom was replaced by law, which looked only to the bond, and interest was allowed to accumulate without limit. In 1896, a blacksmith of Hissar mortgaged his small plot of land for Rs. 26 at 37½ per cent. By 1906 the debt, without further loan, had swelled to Rs. 500, and in 1918—the judgment is

[1] But not always: a report about Muzaffargarh, written in September 1926 by an Assistant Registrar of Co-operative Societies, states that 'the menials, tenants and other poorer classes pay 25 or 50 per cent. on the security of ornaments'.

before me as I write—a decree was given for the amount in full. At first sight it seems incredible, but, as Professor Marshall points out, at 60 per cent (a rate by no means uncommon in India) a debt of £1, if allowed to accumulate, will become £100 in eight years. 'Few people,' he adds, 'reflect on such arithmetical results; but the professional lender has always known them.'[1] The Indian ryot, on the other hand, has always ignored them, with serious consequences to himself, as the following illustrations show:—

The first is normal in every way, and is taken from a recent assessment report.[2] A Jat, called Telu, in the course of twenty years borrowed Rs. 350 and repaid Rs. 450. Yet he still owed Rs. 1,000.

The next illustrates what may happen to a more substantial proprietor. His accounts may be summed up as follows:—

Borrowed		*Repaid*	
1901–11 ...	Rs. 2,500 at 25 per cent	(a) 2,400 maunds of grain worth, say, ...	Rs. 5,000
1912 ...	,, 50	(b) Grain and cattle valued at	,, 800
Total ...	Rs. 2,550	(c) Cash, 1912–18 ...	,, 1,100
		Total ...	Rs. 6,900

In 1918, to settle accounts, 8 acres were mortgaged to secure Rs. 1,300 of the unpaid balance, and a bond was executed for the remaining Rs. 1,200. Thus in about ten years a loan of Rs. 2,550 became a debt of Rs. 9,400.

The next case is particularly illuminating. In 1896, a landowner of Gurdaspur died leaving an unpaid debt of Rs. 400. His son accepted liability for the whole amount by a bond, which was renewed in 1899, 1903 and 1906. In 1909, the debt, which had risen to Rs. 2,700, was repaid by borrowing the amount from another money-lender. A few years later, 56 acres were mortgaged to secure the debt, which now amounted to Rs. 5,000, though nothing had been borrowed in the interval. Meanwhile, the debtor's son was being trained as a sub-inspector of co-operative societies. Fearing the effect of co-operation upon his business, the money-lender went to the father and offered him an allowance of Rs. 60 a month, provided he would withdraw

[1] Marshall, *Industry and Trade*, p. 711.
[2] *Jagadri A.R.*, 1919, p. 16.

his son from the Co-operative Department. He failed in his effort, but his fears were justified, for every second village in the neighbourhood has now a village bank.

Dealings in Grain

If compound interest can double a cash loan in three years, will double a grain loan in two. Grain loans, therefore, are the more serious of the two. Till a money economy established itself in the village, nearly all dealings between a money-lender and his clients were in kind, and in greater or less degree the practice continued till the war, as it brought many advantages to the money-lender. Firstly, it gave him the produce he wanted for his dealings as shopkeeper and grain merchant. Secondly, it yielded a higher rate of profit, for the account could be manipulated with ease. Neither credit nor debit would be entered at market rates, one or two annas a seer[1] being added in the case of an advance and deducted in the case of repayment: the cultivator, who would almost certainly know nothing about it, lost both ways. Thirdly, it was a simple matter to advance bad grain and get good in return. Finally, with harvest loans the amount to be repaid never varied with the date of the advance. One and a half maunds of wheat would be due in June, whether the original maund had been taken in October or March. In the Ludhiana *Bet*, in March of 1918, villagers whose supply of food was exhausted, in return for a maund of Indian corn valued at Rs. 4, were binding themselves to repay 1¾ maunds of wheat in June, or failing that, 3½ maunds of Indian corn in January.[2] More recently in Muzaffargarh, under the stress of prolonged drought, there were cases of seed being advanced on condition that a quarter of the crop should be given in return. With the awakening of the cultivator, however, and the improvement in his lot since the war, there is everywhere a tendency to substitute cash for grain. After a bad harvest grain may still have to be borrowed for food and seed; but in the canal colonies and in the heart of the Punjab payment in kind has almost disappeared. Where, however, markets are few and communications bad, or the people unusually backward, it is still the rule

[1] Two lbs.

[2] These rates were corroborated by two money-lenders in my presence. In June, 1918, the price of wheat was about Rs. 5 a maund.

and puts the cultivator entirely in the hands of the money-lender. The crop is hardly threshed before the latter swoops down and carries away, from the threshing-floor itself, all but what is necessary to keep the cultivator and his family alive till the following harvest. In parts of Gurgaon the grain is divided into three heaps, one containing six months' supply of food, another a supply of seed, and the third whatever remains. The last is the money-lender's share, and he sometimes takes the second as well. In Muzaffargarh, the whole wheat crop is usually taken and sometimes part of the autumn crop as well.

Muzaffargarh

In this district, where the money-lender is the cultivator's banker, dealer and shopkeeper all in one, two accounts are kept, one for dealings in cash and the other for dealings in grain. In the former are entered, on the credit side, whatever is obtained from the sale of cattle and fuel, from work on the canals, and from the proceeds of ropes and mats made from riverain grass. On the debit side appear the petty household purchases made at the money-lender's shop and the sums borrowed for cattle, litigation and marriage. Into the grain account goes all the wheat, with perhaps millet and rice as well; and against it are debited advances of grain for seed or food. For the first year the cultivator has nothing to complain of, and, so long as accounts balance, he gets his banking and storage facilities at a moderate charge. But once he falls into arrears—and sooner or later he can hardly avoid it—he has to pay compound interest at an exorbitant rate; his grain is credited at less than the market price; the cash and grain accounts are manipulated to his disadvantage—if wheat rises in price, cash is converted into grain, and vice versa if it falls; and, finally, further advances are given on increasingly rigorous terms. The net result is what was described in a previous chapter—a peasantry hopelessly involved, overcharged for their loans, underpaid for their produce, too impoverished to develop their land, and at the mercy of a class alien in race, religion and trade.[1] With only a difference of degree, this is

[1] The late settlement officer, Muzaffargarh, is my authority for the facts given above in regard to Muzaffargarh. The description applies equally well to much of Mianwali and Dera Ghazi Khan, and also to the Shahpur Thal (see *Khushab A.R.*, 1914. p. 17).

the case wherever grain dealings prevail; for example, amongst the Meos of Gurgaon in the south, the Gujars and Rajputs of Shakargarh in the east, and the Awans of Attock in the north.

It has been said that interest so rapidly doubles and trebles a debt that a money-lender has no occasion to be dishonest.

Malpractices in Backward Areas

This might be true if there were any limit to the cupidity of man. As it is, rapacity and dishonesty go hand in hand in this as in everything else. The *Attock Gazetteer* (p. 169) gives a long list of malpractices, most of which will be found wherever the money-lender is dominant. The commonest are as follows:—

(*a*) An anna is deducted from every rupee advanced and interest is charged upon the whole amount;

(*b*) when the balance is struck, the debtor may be forced to go before the sub-registrar and state that he has received the whole amount in cash, though most of it is accumulated interest;

(*c*) debts are misrepresented in the ledger by entering inferior grains as if they were wheat;

(*d*) no interest is allowed on repayments in kind, and not as much as is due on credits in cash;

(*e*) a full year's interest is charged on a loan, though the latter may only have been taken a few months before the balance is struck;

(*f*) accounts are kept in such a loose, unintelligible way that interest cannot be separated from principal;

(*g*) old grain is doled out for food in the cold weather and repayment is taken a few months later in wheat or cash, plus 25 or 50 per cent (rates which during the recent drought in Talagang and Pindigheb were doubled); and finally,

(*h*) the bulk of a man's grain is taken straight from the threshing-floor, so as to compel him a month later to borrow at a high rate of interest for the payment of his land revenue.

Thirty years ago these practices were common enough throughout the province, but they have almost disappeared from the central Punjab. The loose system of keeping accounts is, however, universal, and, combined with the cultivator's total inability to read or understand an account, is a fertile source of dishonest dealing. When, for instance, interest is charged for the whole month, though repayment was made at the beginning, and when 12 months are converted into 13 by the simple

process of counting the month in which the loan was made as well as the month in which it was repaid, it probably never occurs to the ordinary cultivator that he is being cheated. But the commonest practice of all is the deduction of one anna in the rupee when a loan is made, which means that when Rs. 100 is borrowed less than Rs. 94 is paid.[1] If a man's credit is exceptionally good, he may avoid this; but if it is unusually bad, he may have to pay double. In a recent case in Muzaffargarh Rs. 40 were cut out of Rs. 100 ; this was more than the cultivator could stand, and he gave up his land and left the village. In Hazara (on the Frontier) deductions of 50 per cent have occurred,[2] and it is significant that this was the result of drought combined with a scarcity of money, in fact of the two conditions that, prior to British rule, were constantly present. If in those days the money-lender was not so extortionate, it was for reasons already described: he was restrained by the public opinion of the village and the difficulty of enforcing his claims at law. In the central Punjab and in the canal colonies, new forces are coming into play which are having much the same effect; but elsewhere, with the exception of Rawalpindi and Rohtak, where military service has improved both intelligence and resources, he can still do pretty much as he pleases, a sign of which is the fuel and fodder, the milk and *ghi*, and the gratuitous service that in many places are sometimes exacted in addition to interest.

Outside the Punjab

There is no reason to suppose that the system we are describing is peculiar to the Punjab, or even to India. Speaking in the Governor-General's Council in 1879 in support of the Deccan Relief Act, Sir Thomas Hope made the following illuminating remarks :—

'That the money-lenders do obtain bonds on false pretences; enter in them sums larger than agreed upon; deduct extortionate premiums; give no receipts for payments and then deny them; credit produce at fraudulent prices; retain liquidated bonds and sue on them; use threats and warrants of imprisonment to extort fresh bonds for sums not advanced; charge

[1] A similar practice was not uncommon in Southern Italy before the war (*Inchiesta Parlamentare*, iv (1), 556, 588, v (2), 630).

[2] The deputy-commissioner is my informant.

interest unstipulated for, over-calculated or in contravention of Hindu law, and commit a score of other rogueries—these are facts proved by evidence so overwhelming that I scarcely know what to quote out of the five volumes composing the Report of the Commission.'

Outside India only the case of Germany and Italy need be quoted. Of western and southern Germany, as it was thirty or forty years ago, Mr. H. W. Wolff writes as follows: 'We have no idea of the pest of remorseless usury which has fastened like a vampire upon the rural population. Even the gombeen-man cannot compare with the hardened blood-sucker of those usury-haunted parts. The poor peasantry have long lain helpless in his grasp, suffering in mute despair the process of gradual exinanition.'[1] The oppressors were Jews, and one of their favourite devices was to sell cattle to impoverished cultivators on credit and a year later have them attached for default, thus getting them fattened for nothing.[2] In some cases, writes a well known German authority, the cultivator became almost a serf of his creditor, and 'the more he tries to free himself from the noose, the more surely the money-lender keeps him in his power with ever fresh promises, threats and beguilements'.[3] In Italy, till co-operation came, if the small holder wanted to add to his stock or develop his land, he had 'to borrow at an interest of from 4 to 12 per cent per month';[4] and even the petty exactions of fuel, fodder and *ghi* had their counterpart in the presents of fruits and vegetables and the dinner on Sundays occasionally given to the local usurer.[5] The evil, as an official report of 1911 shows, was rampant in the south. In Campania, the country round Naples, it led thousands to emigrate; in Calabria, it bled all classes of peasants 'more or less white', and in Sicily it was 'a gangrene in the social and economic life of the countryside'.[6] As Sir Frederick Nicholson says, 'The danger and the difficulty of

[1] *People's Banks*, 1919, p. 112.

[2] *Some Aspects of Co-operation in Germany, Italy and Ireland*, 1922, p. 26, by the author.

[3] Buchenberger, op. cit., ii, 218.

[4] Bolton King, op. cit., p. 183; see also *People's Banks*, p. 296.

[5] Nicholson, op. cit., i, 45.

[6] *Inchiesta Parlamentare*, op. cit., iv, 560, v, 630, vi, 708.

the 'ryot in India is not singular; it is common to the small holder all over the world'.[1] In India the natural docility of the people has tolerated almost any oppression; but occasionally the worm has turned, and murder and disturbance have resulted. The writer knows of a well-placed official, a B.A., whose father acquired local fame by heading a party of outraged villagers against their *sahukar*, whom they threw on to a bonfire. And in Attock there is the well-known case of the money-lender who was waylaid in a solitary place and killed, and whose head, hands and feet were cut off and strapped on to his pony, which was left to find its way home alone.[2] Of disturbances, we have the Sonthal Rebellion of 1855, the Deccan Riots of 1874, and those of Ajmer in 1891, all of which were inspired by hatred of the money-lender; and, more recently, we have the case of Muzaffargarh and Jhang, where in the first year of the war the people, believing that the German Emperor had arrived, rose *en masse* and burnt, looted and raped at the expense of the *kirar*.[3]

The Cultivator as a Borrower

It is not difficult to indict the village money-lender. 'I question,' says Bentham, 'whether, among all the instances in which a borrower and a lender of money have been brought together upon the stage . . . there was ever one, in which the former was not recommended either to admiration, or to love, or to pity, or to all three; and the other, the man of thrift, consigned to infamy.'[4] It is only fair to remember that in the Punjab the money-lender is the one thrifty person amongst a generally thriftless people, and that, if his interest charges are high, they are not entirely disproportionate to the risk and unpopularity of his calling. It is significant that the petty shopkeeper, whose only security is the modest stock-in-trade of his store, can borrow at half the rates generally paid by the cultivator. The reason is that he is more reliable and punctual in his

[1] Op. cit., i, 44.

[2] *Rawalpindi S.R.*, 1887, p. 40.

[3] Compare Japan, where there are said to be three weapons against usury. 'First there may be tried injuring the offending person's house—rural dwellings are mainly bamboo work and mud—by bumping into it with the heavy palanquin, which is carried about the roadway at time of the annual festival. If such a hint should prove ineffective, recourse may be had to arson. Finally there is the pistol' (Robertson Scott, op. cit., 57).

[4] Jeremy Bentham, *Defence of Usury*, 1787, p. 107.

dealings. Whether the cultivator is actually dishonest or not is a question upon which much might be said. In the western Punjab, and probably, too, in the south, his intention is rarely to evade; but everywhere his habit is to postpone. Like the man described in the Apocrypha,

> Till he hath received he will kiss a man's hand;
> And for his neighbour's money he will speak submissly:
> And when he should repay he will prolong the time,
> And return words of grief, and complain of the time.[1]

Anyone who has experience of co-operative work in this country knows only too well how glib the defaulter is with his 'words of grief', and how readily, to avoid payment, he will 'complain of the time'. The energetic money-lender meets the difficulty by dogging the footsteps of his clients as soon as the harvest is cut. At worst he threatens a suit, which the ordinary cultivator dreads, fearing a slur upon his *izzat*; and he can always trade on the fact that he is still indispensable. But for this his position in the central Punjab would now be decidedly weak, for, as the cultivator gets to know his position under the law, he shows a tendency to evade as well as postpone. The money-lender, therefore, is becoming more cautious, a good example of which is the following incident. Not long ago, a Gurdaspur *sahukar* stopped to rest in a village, and was pressed by some of the villagers for a loan. He promised to help, and begged them to come and see him the next day. Seven of them, all, it is sad to relate, members of the local village bank, followed him there accordingly. After the usual refreshment he spoke to them as follows: 'Brothers, I am re-roofing my cattle-shed and want some *jantri*[2] for the purpose; can you help me to get it? But I will only accept it if it is brought from your own fields and not from the fields of others.' Five of the seven stood up at once, and said nothing would be easier; there was plenty of it growing in their cotton and sugar-cane. The other two expressed regret that there was none to be had in their own fields, but, if it was urgently needed, they would explore the fields of their neighbours. 'Thank you,' said the

[1] *Ecclesiasticus*, xxix, 5.

[2] A large bush which grows to a height of seven or eight feet, and is used for fuel and thatching.

sahukar, 'I do not want *jantri*, but I wanted to know in whose fields it grows.' To the two he advanced Rs. 100 each, but to the five he said: 'If *jantri* grows in your fields, they will give you nothing; how then can you give anything to me? No dealings will I have with you.' An interesting point is that the five were all bad defaulters of the village bank, while the two were the only members who were making any effort to repay.

Effect of Fall in Prices

If in the more advanced parts of the province a new caution is forced upon the money-lender by the weakness of his legal position, in the more backward, where dealings are mainly in grain, economic forces are producing a somewhat similar result. This began with the sudden fall in the price of agricultural produce in 1922 when wheat, the staple grain of the province, fell from Rs. 10 to Rs. 3-12 a maund. In normal years the 25 or 50 per cent usually charged for an advance of grain is sufficient to guard the money-lender against any seasonal fluctuation of price. Thus, if wheat is Rs. 4 a maund when advanced for seed and Rs. 3-4 when repaid at harvest, a 50 per cent rate of interest yields a profit of 22 per cent, and even with the lower rate there will be no loss. But in 1922, even the 100 per cent rate that was commonly charged proved insufficient for the purpose.[1] What made matters worse was that the fall followed a period of drought, during which considerable advances had to be made to keep the cultivator and his family alive and to replace his losses in cattle. There are, therefore, heavy arrears to collect, so heavy in the case of Muzaffargarh, where the drought of 1921 was followed by a devastating flood in 1924, that it is doubtful whether they can ever be recovered. The land in this district is overburdened and the money-lender, whose only security is the crop, looks askance at the less productive holdings and shows a disposition to transfer his capital to other forms of business, and here and there he is actually moving from the village to the town.

Whatever the causes and whatever the difficulties, the caution with which the money-lender has now to proceed is a change for the better. Nothing could be more demoralizing than the

[1] Where, as for instance in Karnal, grain accounts are kept in terms of cash, loss was avoided.

old system, under which money, more money, and still more money was continually pressed upon the peasant proprietor, until he became bound hand and foot to his creditor. Out of 742 families examined in detail by Mr. Thorburn in 1896, 'only in 13 cases did a once involved man recover his freedom'. Enticed by the *sahukar* to borrow for every want, the peasant proprietor during the last fifty years, as we shall see in the next chapter, has sunk deeper and deeper into debt. Yet it was only human nature for the money-lender to do what he did: there was no other opening for his capital; the financing of agriculture was a necessity, and the cultivator was ignorant, improvident and evasive. In the bargain he drove, like everyone else in business, he thought only of himself; and, like others who have had great power, he abused it. To censure him is to censure the imperfections of mankind. We should rather blame the system than the man it has moulded. This system is rotten to the core, and our forefathers were right to condemn it, for, unless controlled, money-lending demoralizes both lender and borrower.[1] The proof of this is that the agriculturist money-lender, of whom something must now be said, though of totally different caste and tradition, is if anything worse than his professional rival.

The Agriculturist Money-lender

The agriculturist money-lender is by no means a new feature in village life—we hear of him as long ago as 1876—but it is only in the last twenty years that he has come to the fore.[2] Fifty years ago few agriculturists were able to lend, but now there is a fortunate minority who have more than they need. Many of those who went to the war came home with two or three years' pay in their pocket; and many who stayed at home, especially the larger holders, were enriched by high prices. Many emigrants, too, have brought back large sums, sometimes Rs. 50,000 or more, from Australia or America. As in sixteenth

[1] 'There is the strong concurrent opinion of local officers . . . that the relations of the *sahukar* and ryot have been productive of considerable demoralization of the latter' (*Deccan Riots Commission Report*, 1876, para iii).

[2] For instance, in one assessment circle (90,000 acres) of the Ferozepore district the number of agriculturist mortgagees has increased from 13 in 1893 to 787 in 1923 (op cit., p. 22).

century England, the influx of new wealth has led to a vast increase in money-lending, in which the agriculturist has taken his full share. Recent enquiry suggests that agriculturist money-lenders now number about 20,000, and that they are common all over the province except in the Muhammadan west, where they are still scarce. They are most numerous in our four submontane districts and in Lahore, Amritsar and Rohtak. In these areas, the bulk of the mortgage debt is rapidly passing into their hands. The most prominent type is the Sikh Jat of the central Punjab, who has some of the canny business flair of the lowland Scot, but the Hindu Jat of Rohtak runs him close. Even the Muhammadan agriculturist is beginning to square the precepts of religion with the claims of business, and there are probably over a thousand who have bowed the knee to Mammon. They are drawn from all tribes and include even Seyyeds, and charge anything from 15 to 50 per cent. At such rates, the temptation to lend is great. A retired soldier told the writer that during eighteen years' service he saved only Rs. 600, but that by lending it out he doubled the amount in four years. To the agriculturist, money-lending is so profitable and opportunities for investment so few, that when a pukka house has been built, land bought, and a wife decked with jewellery, what remains will, as often as not, be given out on loan.[1]

But if emigration, soldiering and high prices have given the agriculturist money-lender his means, it is the Land Alienation Act that has given him his opportunity. The *sahukar*, deprived by the Act of the security of the land, can only lend up to the limit of what can be repaid from the produce; but the agriculturist money-lender, to whom the Act does not apply, can afford to lend up to the value of the land, and with land selling at inflated values this limit is considerably higher. He is, therefore, in the stronger position of the two; and ultimately he is the more formidable, for his object is the land, and to obtain

[1] The enquiry referred to above was made by the Co-operative Department in 1926-27, and embraced over 10 per cent of the villages of the province. 52 per cent of the 1988 agriculturist money-lenders discovered were Sikhs, 42½ Hindus and 5½ Muhammadans; and 26 per cent were said to be earning over Rs. 1,000 a year in interest (*Civil and Military Gazette*, dated 28 July, 1927). By 'agriculturist' is meant member of a tribe protected by the Land Alienation Act.

it he will press a client till he is compelled to sell. On the other hand, the *sahukar* depending solely on the produce for repayment, hesitates to drive a client to extremes lest he should give up producing. It might be supposed that the Jat would be the more merciful of the two, as he is dealing with his own kith and kin. This, however, is not the opinion of the countryside. He may charge less at the start and is certainly less cunning in his devices, but most agree that he is harsher in his means. There is truth in the old saying, 'The cock and the crow nourish their families; the Jat and the crocodile destroy them'. The *sahukar* will occasionally knock off part of his interest, but, as a villager in Ludhiana remarked, 'a Jat foregoes nothing—not even a pebble (*giti*)'. The Jat, too, being an agriculturist, knows how the cow can be milked, and is able to squeeze the last drop out of his client. Moreover, the *sahukar*, being timid by nature, can sometimes be intimidated, but 'the Jat seizes you by the throat and knocks you down'. As a zemindar said to the writer, if the Land Alienation Act has rescued the sheep from the wolf, it has only been to hand him over to the butcher. A good instance of this is the case of a Pathan (Muhammadans are much less strict than they were about taking interest), who lent Rs. 8 to a Jat Sikh, and, after time-honoured custom, entered the loan as Rs. 10. Interest was fixed at the monthly rate of two annas per rupee, and charged on the ten rupees nominally borrowed, which means that the rate per annum was 187½ per cent. Fortunately, a philanthropic member of the Co-operative Department discovered the debt before it had assumed unmanageable proportions, and with his help it was paid off in full. But, if there is little to choose in method between the *sahukar* and the agriculturist money-lender, both politically and socially the latter is less of an evil; for on the whole it is better that land should pass into the hands of those who can both cultivate and defend it than into the hands of those who rarely do either. A Jat, too, is flesh and blood of the village to which he belongs, whereas the *sahukar* is apt to become a parasite in its system. But, when all is said and done, the growing influence of the agriculturist money-lender, which is largely the result of the Land Alienation Act, can only be regarded with apprehension, and incidentally illustrates how difficult it is to cure economic evils by legislation.

Undeterred by this consideration and profoundly impressed by

the magnitude of the evil described in this chapter, the Punjab Council, after prolonged debate marked by considerable communal feeling, committed itself in 1926 to a further piece of legislation designed to protect the borrower against the money-lender. The Bill, a private measure, after being thrice named, finally emerged as 'The Punjab Regulation of Accounts Act'. Briefly, it obliged every money-lender to maintain accounts in a prescribed form and send his clients every six months a statement of account. Its life, however, was short. Passed in July, it expired in October when the Governor of the Punjab informed the Council that owing to the insuperable difficulties of administering the provisions of the Bill as finally passed, he could not recommend it for the Governor-General's assent. At the same time he announced that Government, convinced of the necessity of securing by legislation 'the better keeping of accounts' and of giving the debtor some means of ascertaining exactly how his account stood, proposed introducing a somewhat simpler Bill in its place. In view of this announcement we may conclude this chapter with a brief review of the attempts made in other countries to control the money-lender's activities.

Legislation against the money-lender in the Punjab

Till modern times, as we have seen, legislation mainly took the form of limiting interest or of prohibiting it altogether. Prohibition is still enjoined by the Muhammadan religion, though many means have been found of adjusting religious precept to modern convenience; while limitation persists in several Western countries, notably France and the United States. In France, a law of 1850 prescribed a maximum of 5 per cent for civil transactions and of 6 per cent for commercial.[1] The former rate is still in force, and the latter was only suspended during the war, as it was found to hamper trade.[2] In the United States, all but six out of 52 states have a maximum rate for contracts which varies from

In Europe and America

[1] It was passed on 19 December, 1850.

[2] It was suspended for the duration of the war and for five years afterwards, but it had not been re-imposed by January 1926; the Algerian law of 1898 fixing a maximum rate of 8 per cent was similarly suspended. In Belgium, on the other hand, a maximum rate was imposed during the war but abolished afterwards.

6 to 12 per cent.[1] The Punjab will be wise in refusing to deal with the evil on these lines, for, though a maximum rate may exercise a certain restricting influence, it is easily evaded. This has been the experience of both the countries mentioned and of other countries as well.[2]

Germany was one of the first to realize this and to attack the problem on more elastic lines. In 1880, a law was passed rendering a usurer liable to six months imprisonment or a fine of 3,000 marks (Rs. 2,250), and to the loss of all citizen rights.[3] The usurer was defined in characteristic German language as one, 'who extorts a promise or agreement, for his own benefit or that of a third party, whereby another person is made to surrender his position, in whole or in part, having borrowed under the influence of extreme economic necessity, when, owing to inexperience or other cause, he was not fully responsible for his actions'.[4] It was also made a punishable offence to exact a rate of interest greatly in excess of customary rates in return for extending the date for repaying a debt. There were not many prosecutions under this Act,[5] and Buchenberger, the best authority on the subject, says that it entirely failed to check the evil, as it applied only to money loans and left untouched the many other forms of usury practised in all countries where usury is prevalent.[6] The money-lender, too, found a hundred ways of concealing his abuses.[7] As so often happens, therefore, a second law had to be passed to make the first effective. This was done in 1893, when the law of 1880 was extended to include anyone exploiting 'the necessity, irresponsibility or inexperience' of another in connection with a loan or the giving of credit in any form. At the same time it was prescribed that every money-lender must once a year strike an account for any client who had dealt with him during the preceding year, and within three months of the end of the year send him a copy of the account,

[1] *The World 1922 Almanac*, p. 307.

[2] For France, see Victor Boret, *Pour et Par la Terre*, 1921, p. 278.

[3] It was passed on 24 March, 1880.

[4] Lexis, *Handwörterbuch der Staatswissenschaft*, 1911, viii, 976.

[5] From 1882 to 1890 there were 989 prosecutions resulting in 466 convictions (*Annuaire de Legislation Etrangère*, 1894, p. 82).

[6] Op. cit., ii, 223.

[7] *Annuaire, etc.*, op. cit., p. 82.

showing not only the amount due but also how the debt had arisen. Failure to do this was punishable with a fine of 500 marks (Rs. 375) and the loss of interest for the year in question on all loans improperly omitted from the account. The provision did not apply when only one loan had been taken during the year, provided that the debtor was given a written statement of its amount; nor did it apply to banks and dealings between registered traders.[1] This law does not appear to have achieved its object, and Buchenberger, though in favour of drastic measures against the usurer, admits that, even with the most active administration, owing to the secrecy and cunning with which the usurer plies his trade, prosecution is difficult and only succeeds in the most flagrant cases. He is, therefore, reduced to recommending that all who deal in cattle, land and loans should be obliged to keep accounts in a prescribed form and submit them for inspection when required.[2] This is just what the Punjab Act proposed to do.

In Switzerland, a large number of cantons have passed laws against usury, some merely fixing the maximum rate of interest and others punishing usury as well. Many of these enactments would appear to be still in force, but all reports agree that penal action is rarely taken and that its results are extremely uncertain.[3] On the other hand, owing to the alarming increase of debt in Switzerland, the leading Swiss rural economist is in favour not only of having a maximum rate of interest but also of limiting the amount a peasant may borrow to the annual value of the output of his land.[4] This authority, however, would appear from his writings to be a strong believer in restrictive measures. Going further east, we find that both Austria and Hungary have attempted legislative checks. In Austria, by a law of 1881,[5] the German example was followed of punishing

[1] *Annuaire, etc.*, op. cit., pp. 84–5. This law would appear to be still in force, though a dead letter.

[2] Op. cit., ii, 223, 228.

[3] See N. Reichesberg, *Handwörterbuch der Schweizerischen Volkswirtschaft Social politik und Verwaltung*, iii, 1966, 1969. The most recent of these laws appears to be that of the canton of Obwalden passed in April 1908.

[4] Dr. E. Laur, *Politique Agraire*, 1919, pp. 119, 166.

[5] Passed on 28 May, 1881.

usury and of not restricting interest. On the other hand, the Hungarian laws of 1877 and 1883 combined both policies.[1] A maximum rate of 8 per cent was fixed for loans of all kinds whether in cash, in kind or in service, and any one guilty of exploiting 'the necessity, the inexperience or the feebleness of mind of a debtor in such a way as to ruin him or his surety or to impose upon him conditions so onerous as to result in a striking disproportion between the loan and the amount to be repaid' was punishable with six months' imprisonment and a fine of 2,000 florins (Rs. 3,000). It was further provided that if general impoverishment was noticeable in any area and there was good reason to believe it to be due to usury, the Ministry of Justice, on a report from the local authorities, might order systematic prosecution; but no creditor could be penalized if he repaid everything before proceedings started.[2] These laws do not appear to have been any more effective than the German. In spite, however, of the weight of this experience, both Spain and Poland legislated in 1920, and in 1927 a stringent Act to control the urban money-lender was passed in England.[3] Italy is the only country of any importance in Europe in which no action has been taken by the State.[4] Yet usury, which twenty or thirty years ago was rampant, is no longer a live question. In the north and centre of the peninsula it has been killed by co-operation and the forces of modern life, and in the south greatly mitigated by the abundance of money which has flowed back to the country in the wake of emigration.[5]

From this account of the legislative enactments of the West, it is clear that the late Punjab Bill cannot be called a drastic

[1] Passed on 26 March, 1877, and 2 May, 1883.

[2] See articles 1, 10 and 14 of the law of 1883.

[3] The Spanish law was passed on 7 October, 1920, and was in extension of an earlier of 12 June, 1909. The date of the Polish law is 2 July, 1920.

[4] In 1901, Sweden passed a law closely resembling the German law of 1880. Norway, on the other hand, has done nothing, and this also appears to be the case with Denmark and Holland, but in none of these three countries is the money-lender a problem. As to Russia, I am informed that usury was punishable before the Revolution, but I have not been able to verify this.

[5] *Inchiesta Parlamentare*, op. cit., iv (i), 613, viii, 61–62, 112.

Is Legislation advisable in the Punjab?

measure. Steering a middle course between the two policies of restricting interest and punishing usury, it was not so much an attack upon the usurer as an effort to reform him and to bring him out of *pardah* into the wholesome light of day. Yet there is little doubt that Government were wise to condemn it. Whether they will be equally wise to replace it is less certain. Nowhere in the West has legislation been a marked success, and the Punjab is not likely to be an exception. As elsewhere, the money-lender will probably prove more than a match for any law that is passed against him, and even so apparently simple a matter as prescribing a form of accounts will not be easy in the varying conditions of the province. In the village the standard of accounting is primitive in the extreme, and in the town it is so low that one out of every three income-tax payers still fails to produce accounts when called upon to do so.[1] The calligraphy of accountancy, too, is such that it can only be deciphered by the expert, and no less than five different scripts are in use in different parts of the province.[2] Compliance with prescribed forms will, therefore, not be easy to secure, and the borrower may very well be no better off with his account than without it. The courts, too, will have to decide many doubtful points, in which communal prejudice or bias may be tempted to usurp the functions of equity and common sense. It is a disadvantage of all usury laws that they demand an highly competent judiciary for their wise application, for the limits of usury are singularly difficult to define and much has perforce to be left to the discretion of the individual judge. But the greatest difficulty of all is that the ramifications of money-lending are infinite. Where in the West a person with spare cash makes an investment or a deposit, in the Punjab he makes a loan to a neighbour. The result is 20,000 agriculturist money-lenders, nearly all amateurs, many of them illiterate and some of them women. Few, it may be supposed, will find a prescribed account much to their liking, least of all those—an appreciable number—who keep no accounts at all except a sheaf of bonds and pronotes.[3] Legislation, therefore, is

[1] In 1926–27, 7,065 persons failed to produce accounts.

[2] i.e., Amritsari, Mahajani, Sudi, Multani and Marwari.

[3] This applied to 23 per cent of the agriculturist money-lenders referred to in the footnote on p. 227.

likely to be as much ahead of the times in its means, as, in its object, it is likely to be behind them. It will be ahead, because it postulates literacy, anyhow on the part of the lender, systematic accounting, easily decipherable accounts, business-like methods, and professional, not amateur money-lenders. And it will be behind, because with the spread of co-operation and the rapid advance of modern facilities, the money-lender, tnough not yet defeated, is doomed.

Of the influence of co-operation something has already been said, and more will be said in a later chapter. For the moment it is sufficient to note that it is by far the best direct method of combating the money-lender. In this respect, legislation is not to be compared with it. Nor is it to be compared with the indirect influence of modern facilities. When money circulates freely, and markets and communications are well developed, and education is general, the money-lender soon becomes an anachronism. This is the experience of Europe, and in time we may hope that it will be the experience of India. Necessity and ignorance are his two allies, as Sin and Death were Satan's after his fall. In the Punjab, necessity has been greatly mitigated by railroad and canal, but ignorance is still widespread. The money-lender continues to thrive on the latter, and the very prosperity which has followed the development of railroad and canal has become in his hands a means of increasing his power. If he is to be defeated, prosperity and education must go hand in hand. The effect of having the one without the other will be seen in the next chapter.

CHAPTER XII

PROSPERITY AND DEBT

> 'The devil's grown wiser than before ;
> He tempts by making rich, not making poor.'

THE Punjab is agriculturally the most prosperous province in India, and it is probably also the most indebted. The object of this chapter is to examine this apparent paradox.

Prosperity of the province

Materially, there is no comparison between the Punjab of to-day and the Punjab of 70 years ago. Only in the south-west of the province does the immemorial poverty of India still continue. Everywhere else there has been change, and, as we saw in examining the rise in the standard of living, the change has been more marked in the central districts and the canal colonies. The peasant is better fed and better clothed than he was a generation ago, and he is also beginning to be better housed. Luxuries, once confined to the town, are appearing in the village : gold is worn instead of silver and muslins instead of homespun. Many who went on foot, travel in *tum-tum,* tonga and lorry, and few remain who are obliged to walk unshod. If the women are idler, the men are busier, for cultivation has increased faster than population.[1] Thanks to 20,000 miles of canals, the fear of famine has been almost banished, and, though cattle still die in thousands, man himself is safe. In some districts he may have to leave his village till the drought is passed, but he need no longer starve. With the spread of the canal, too, has come an immense development of trade. In 1872, the Punjab received only four lakhs (about £30,000) for its surplus grain; in 1918 the amount was over 24 crores (£16 millions). In fifty years, cultivation has increased by 50 per cent and the value of what is produced has risen from 35 to over 120 crores (£80 millions). The canal colonies alone produce £20 millions a year (p. 131). Every year gold and silver is absorbed in crores—in

[1] Between 1868 and 1921 population increased by 22 per cent and cultivation by 50 per cent.

the last three years of the war the amount was over £14 millions, and there is now so much money available that the average amount on deposit is double the average for the rest of India.[1] Most significant of all is the rise in the value of land. Worth in 1866 about Rs. 10 an acre, it sold in the five years ending 1926 at an average of Rs. 238.[2] In 1862-63, Government congratulated itself that the sale price stood as high as seven years' purchase of the land revenue;[3] in 1926 the corresponding figure was 301. In the sixties, land in Ferozepore was hardly saleable at all;[4] now perennially irrigated land sells at Rs. 600 (£40) an acre, 'which is higher than what good land sells at in Britain'.[5]

Increase in Debt

But there is another side to the picture. If prosperity has increased, so also has debt; and the increase in the one is only less remarkable than the increase in the other. The last chapter should have prepared us for this, for we saw that, though at the beginning of British rule mortgage was rare and the money-lender weak, by the seventies the one was common and the other powerful. By 1874 over one million acres were mortgaged, and by 1891 nearly four million. In the next thirty years, though there was no great increase in the area under mortgage, mortgage debt appears to have increased by over 25 crores.[6] If we assume, as before (p. 7), that mortgage debt is only 45 per cent of the whole, the total increase amounts to 57 crores. It may even be more than this, as the following calculation shows. In 1891, the mortgage

[1] For nearly all the figures given above see Calvert, pp. 68, 162, 163; for the present value of total produce see p. 16 *ante*.

[2] *Ld. Rev. Ad. Reports*, 1926, Stat. xxvi.

[3] *Indian Famine Commission Report*, ii, 125.

[4] Memo. by Financial Commissioner, dated 15 August, 1889.

[5] Roberts and Faulkner, op. cit., p. 11.

[6] This has been calculated by deducting the amount paid for redemption from the amount raised every year by mortgage—see annual statements in the Land Revenue Administration and Land Alienation Act reports; figures for the North-West Frontier Province have been excluded, but not those for the Delhi Province, which was separated from the Punjab in 1912; the latter, however, are not important. Some deduction must be made on account of mortgages to non-agriculturists since the passing of the Land Alienation Act, as these are now automatically extinguished after 20 years without payment, but informal enquiry suggests that the deduction to be made on this account is small.

debt of the province (including the North-West Frontier) was estimated at 7·83 crores.[1] Assuming again that it was only 45 per cent of the whole, total debt in that year would be about 17 crores. The corresponding figure for 1922 (excluding the Frontier Province) is 82 crores, or 65 crores more than in 1891.[2] If the Frontier were excluded from the figure for 1891, the increase would be even greater, and we should probably find that debt was five times as great as it was 32 years ago. In the last thirty years, therefore, we may safely conclude (*a*) that rural debt has increased by at least fifty crores, and (*b*) that it has multiplied fourfold.[3]

If further evidence is needed, it may be found in the figures for the following districts, which represent all parts of the province :—

District	Mortgage Debt (in *lakhs*) At date specified in brackets	In 1922
Rohtak (excluding Sonepat)	6¼ (1873–79)[4]	83
Jullundur	32 (1886)[5]	197
Rawalpindi	9 (1878–82)[6]	29
Attock	7 (1878–82)[6]	50
Jhang	11¼ (1880)[7]	64
Muzaffargarh (excluding Leiah)	13 (1883)[8]	80
Bhakkar and Leiah Tehsils	5 (1879)[9]	24
	84	527

[1] On 30 September, 1891, 3,918,873 acres were mortgaged for Rs. 7,83,77,000 (*Note on Land Transfer*, etc., p. 45).

[2] The amount of usufructuary mortgage in 1922 (including occupancy tenants as well as proprietors was 37·20 crores (*Ld. Rev. Ad. Rpt.*, 1922, p. 28).

[3] This was written in 1923. Since then the increase would appear to be more than maintained, for in the three years ending 1925–26 the amount raised by mortgage exceeded the amount paid for redemption by 10·20 crores or about £7 millions (*Ld. Rev. Ad. Rpts.*, Stat. xxiv).

[4] *Rohtak S.R.*, 1873–79, p. 63.

[5] *Jullundur S.R.*, 1886, p. 71.

[6] *Rawalpindi S.R.*, 1887, p. 144.

[7] *Jhang S.R.*, 1874–80, p. 12.

[8] *Muzaffargarh S.R.*, 1883–84, p. 83.

[9] *Dera Ismail Khan S.R.*, 1872–79, p. 363.

In these seven areas mortgage debt has multiplied more than six times in about forty years, a ratio which agrees well enough with the estimate for the whole province.[1]

The figures, however, are subject to one important qualification. The rupee to-day is not nearly as valuable as it was thirty or forty years ago. Measured in terms of five staple crops, its purchasing value is less than half what it was in the eighties.[2] Accordingly, to obtain the real increase in debt, we must divide the results by two. Even so, debt has doubled in thirty years. The most significant feature of this increase is that it coincides with a period of unexampled prosperity and development. That this is not a mere coincidence will be apparent from what follows.

Expansion of Credit

In the first chapter it was stated that if the existence of debt was due to necessity, its volume depended upon credit, and that the link between the two was the money-lender (p. 15). In examining the latter and his methods we saw that with the advent of British

[1] The increase may also be measured in terms of land revenue. Figures are available for the following 15 tehsils, thus :—

Tehsil		Mortgage debt's multiple of land revenue: In the year specified in brackets		In 1922
Gurgaon (4 tehsils) ...	...	.. 3¾	(1878)	9
Rohtak (3 tehsils) ...	...	... ⅘	(1879)	14
Ambala and Jagadri	...	... 4½	(1886)	15¼
Kaithal	...	... 1½	(1888)	3
Gujranwala and Wazirabad	...	... 3	(1891)	4
Kahuta (Rawalpindi)	...	... 2	(1882)	6
Bhakkar (Mianwali)	...	... 2	(1879)	6
Leiah (Muzaffargarh)	...	... 2½	(1879)	11

The increase in this case is about 300 per cent ; if this is less than in the case of the districts given above, it is because land revenue itself increases, with the increase in prices. The earlier figures are all taken from the settlement or assessment reports of the dates named.

[2] Professor W. H. Myles, Professor of Economics, Lahore University, calculates that the purchasing power of the rupee, measured in wheat, gram, barley, *bajra* and *jowar* was 120 per cent less in 1911-20 than in 1881-90. According to tables of prices drawn up by Professor Brij Narain of the Sanatan Dharam College, Lahore, if the same periods are compared, the percentage is 114, and, if the two five-year periods, 1886-90 and 1916-20, are compared, it is 135 (*Indian Journal of Economics*, April, 1926, pp. 451-52).

rule the old village system of barter gradually gave way to a money economy, that land which had been almost valueless became an object of general desire, that the money-lender, seeking an outlet for his increasing wealth, did his utmost to make the cultivator borrow, and that the cultivator was unable to resist the temptation. In a word, money was plentiful, security good, credit easy, and borrowing uncontrolled. Now experience shows that when these conditions prevail, rural debt invariably increases. 'Credit,' says Professor Gide, 'holds up the landowner as the rope holds up the hanged man.'[1] We have abundant evidence of this in the settlement reports of the last fifty years. 'Indebtedness,' says one of the earlier ones, 'seems due not to the impoverished condition of the people . . . but rather to the increased value of the land, which has given the zemindar greater facilities for borrowing by improving the security he has to offer.'[2] It is pointed out that under Sikh rule the agriculturist had to pay away all his spare produce and that nothing was left on which he could borrow; but with the introduction of a fixed cash assessment, the extension of road and rail, the opening of new markets and the rise in prices, the cultivator, after meeting all his obligations, found himself with a handsome balance, on the security of which the money-lender was glad enough to lend. The next stage is described in another report of the time. 'When the owner of a good well or a fat piece of *sailab*[3] deals with a bania, he finds that his credit is unlimited. It is a case of spending made easy. He can have whatever he wants whenever he wishes. All that he is troubled with is his signature or assent to the usual six-monthly statement of accounts'; and the settlement officer pertinently adds, 'so long as a zemindar has credit so long will he borrow'.[4] Another and most important aspect of the process is emphasized by Mr. Thorburn. 'In 1849-50,' he says, 'we converted collective into individual ownership of land, plus the right to alienate it at pleasure. By so doing we made an unconditional gift of a valuable estate to every peasant proprietor in the Punjab, and raised his credit from the former limit of the surplus of an occasional good crop to the market value of

[1] *Political Economy*, p. 394. [2] *Jullundur S.R.*, 1881–85.

[3] Land irrigated by subsoil water oozing up.

[4] *Jhang S.R.*, 1874–80, p. 130.

the proprietary right conferred. . . . Until then his borrowing was limited to a few rupees, recoverable only at harvest time. . . . In one day the old order passed away and gave place to a new one, which imposed upon this unsophisticated Punjabi a responsibility to which he was unequal. . . . To his surprise and delight he found that his former petty borrowing powers were now practically unlimited, his bania being ready to accommodate him to any extent."[1]

As we have said before, debt follows credit, and though there are other factors, this is the key to the problem. It explains why, in 1873, five out of the seven most heavily mortgaged districts of the province were 'amongst the most prosperous and wealthy',[2] and why in the last ten years debt has increased much faster in the richer districts than in the poorer.[3] The settlement officer of Rohtak was right when he wrote that 'a zemindar limits his borrowing not by his wants but by his opportunities'.[4] This is clear from the following figures obtained from my enquiry :—

Debt follows Credit

	Average debt per *indebted* proprietor	Percentage free of debt
25,840 proprietors owning or cultivating over eight acres ...	Rs. 570	18
17,180 proprietors with eight acres or less	,, 310	17
7,505 tenants at will, farm servants, etc.	,, 135	22

It will be seen that, though almost as many small holders are in debt as large, the amount of their debt is much less, while the tenant is the least indebted of all. The reason is that the more land a man has, the more he can borrow, and the more he borrows. Conversely, the man who has no land at all can borrow comparatively little.

If it is true that debt follows credit, those who have no credit will have no debt. This, too, is the case. In Jhang at one

[1] *Mussalmans and Money-lenders in the Punjab*, p. 49.

[2] *Note on Land Transfer*, etc., p. 44.

[3] Eight out of the nine districts in which debt has increased fastest are markedly prosperous, viz. Lahore, Amritsar, Ferozepore, Jullundur Hoshiarpur, Ludhiana, Sialkot, and Lyallpur.

[4] *Gohana A.R.*, 1907, p. 12.

time there were numbers of villages in which there was hardly a single mortgage, as cultivation was uncertain, the people nomadic, and credit correspondingly low.[1] In Ludhiana, 'villages with weak soils and little irrigation are very often more free from debt than the finest villages'.[2] In the Thal, where land has little value, the shepherd is not in debt because no one will lend to him;[3] and in Muzaffargarh, perhaps the most deeply involved district in the province, the poorest villages are in the same case, of which the late settlement officer gives the following example: 'Near Basira are two adjoining villages, owned by a multitude of Balochis whose holdings average half an acre each. The land in both is about the same quality, but there is a great difference in the water supply. In the village with the worse there is no debt or mortgage, as there is no security for a loan, and the owners lead a decent if penurious existence as day labourers; in the village with the better canal supply, 100 per cent of the land of the Balochis has long been mortgaged to Hindus, who take the whole of the produce and treat the nominal owners as serfs, employing them as labourers to steal cattle and water.'

The fact that debt follows credit explains a point that might otherwise be obscure. In the thirty years ending 1922 debt increased much faster in the first and last decades than in the second. This is shown by the following figures:—

	Increase in debt (crores)
1893–1902	16
1903–12	9
1913–22	30[4]

This contrast is mainly due to the contraction of credit caused by the Land Alienation Act, which came into force in 1901. The professional money-lender, debarred by the Act from obtaining possession of land held by an agriculturist, became for a time more chary in making advances, and restricted his loans to what could be repaid from the produce. But, as prices rose, he was able to relax his caution and in time advanced as freely as before.

[1] *Jhang S.R.*, p. 172.
[2] *Ludhiana A.R.*, 1910, p. 14.
[3] See *Kot Adu A.R.*, 1924, p. 15, and *Leiah A.R.*, 1924, p. 18.
[4] If we take the ten years ending 1926 and employ the method discribed on p. 236 (as has been done above), we get an increase of 48 crores.

With increasing prosperity, too, more and more agriculturists set up as money-lenders, dealing largely in mortgages. Within ten years, therefore, conditions had adjusted themselves to the position created by the Act, and borrowing went on more briskly than ever, so much so that in the last decade debt increased by thirty crores (£20 millions). No other decade in the history of the Punjab can have seen so great an increase as this; nor has any other decade seen a greater advance in prosperity. After what has been said, it is a fair presumption that the one could not have occurred without the other.

Experience outside the Punjab

It is not only in the Punjab that an expansion of credit generally leads to an inflation of debt. In Nagpur and Jubbulpore, two districts of the Central Provinces, the rise in the value of land which followed the opening up of the country by rail to the trade of the world, produced an outburst of extravagance, 'and the standard of expenditure on marriages . . . reached a point which it was altogether beyond the real capacity of the land to bear except in very favourable seasons'.[1] In the Deccan, in the sixties, a similar expansion of credit, this time due to a sudden rise in the value of cotton (the result of the American War), led to much improvident borrowing.[2] More recently, both in Madras[3] and Baroda,[4] debt has been increasing with the rise in the value of land, and in a Burma report we read that 'where land is dear indebtedness is high'.[5]

Outside India we find the same influence at work. The great increase in peasant indebtedness, which took place in Europe in the latter half of the nineteenth century, was due, amongst other causes, to a rise in the value of land.[6] Till the French Revolution, and in some countries till much later, the peasant

[1] Memo. by Sir J. B. Fuller.

[2] *Indian Famine Commission Report*, 1880, ii, 133.

[3] Slater, *Some South Indian Villages*, p. 241.

[4] *Baroda Report*, op. cit., para. 90.

[5] *Burma Co-operative Societies' Report*, 1919, p. 18. The same appears to be true of the N. W. Frontier Province. Four villages 'amongst the very finest in the Peshawar District', were recently found to have a total mortgage debt of 8¾ lakhs which 'is enormously higher than elsewhere', and in the Charsadda tehsil of the same district, the richest circle is said to be the most heavily involved (*Swabi A. R.*, 1927, pp. 16–17).

[6] Nicholson, op. cit., i, 45 *et seq.*

in Europe was still in a state of semi-villeinage, with by no means the right to alienate his land as he pleased, and in most countries it was not till after the Napoleonic wars that the independent peasant proprietor of to-day began to emerge.[1] As in the Punjab, the grant of full proprietary rights produced the mortgage, which till then had been rare, and, as land rose in value, more and more money was raised upon it, for, as Sir Frederick Nicholson observes, 'the peasant proprietor cannot refrain from pledging any additional value which the land may acquire'. Of this Prussia is a good instance. A hundred and twenty years ago, before von Stein's reforms, the peasant who occupied without owning his land was unable to mortgage it, and mortgage debt was 'infinitesimal'.[2] A hundred years later, as we saw in the first chapter, landowners' debt amounted to £377 millions. Even in Switzerland, one of the thriftiest and most educated countries in Europe, an abnormal rise in the value of land led to a great increase in debt.[3] But perhaps the most striking example of all is the case of the United States. Broadly speaking, there was very little mortgage debt on farms cultivated by their owners before 1875; it then increased to such effect that in twenty years, 1890 to 1910, it more than doubled. In the same period, the value of land also doubled, and it seems that the one led to the other.[4] It was this that made a well-known American writer say that 'farmers who do not keep accurate accounts and who have not a keen sense of values should avoid the use of credit as they would the plague'.[5] An interesting point in the American case is that the increase in debt was due less to increased production than to a rise in the standard of living, and the agricultural prosperity that accompanied it was almost entirely the result of a rise in prices.[6] The parallel to the Punjab is curiously exact. In the one, as in the other, there was little mortgage debt before 1875, and since then in both countries prices have soared, land has doubled or trebled in value, the standard of living has risen, and debt has greatly increased. No better instance could be given of the close correspondence between even remote countries in their rural problems.

[1] See Irvine, op. cit., p. 113.
[2] Nicholson, op. cit., i, 48.
[3] *Ibid.*, i, 42.
[4] Nourse, op. cit., pp. 720–21.
[5] Carver, op. cit., p. 275.
[6] Carver, *Selected Readings in Rural Economics*, pp. 939–42.

The expansion in credit that has followed the rise in the value of land is undoubtedly the main factor in the increase of debt, but the high prices which have led to this rise have also had something to do with it. It is commonly assumed that high prices are good for the cultivator, and the assumption is correct as long as he has more to sell than to buy; but if it is the other way round, he benefits no more than any other class of consumer. In the Punjab, the man with twenty or thirty acres will generally have more to sell than to buy, and if his land is secured against drought by canal or well, high prices are an obvious advantage. But where, as in some districts, a man is lucky if he has half a dozen acres to cultivate, they are as likely as not an evil, for it is only in good years that he has much to sell, while in bad years he may have to buy the very grain he eats. 'What do we know of prices?' he asks (the remark has already been quoted[1]): 'it is all we can do to fill our bellies.' In 1879, a deputy commissioner of Hoshiarpur, explaining why the great increase in the value of produce had not enabled the agricultural community to better its position, remarked: 'Generally the produce raised on a holding is not more than sufficient, if it is ever sufficient, to support the family of the cultivator. It is only the larger owners who cultivate extensive holdings who have a surplus for sale.'[2] Forty years later the same tendency was noticed again in the survey of a Hoshiarpur village. 'The large landowners,' we are told, 'have profited a lot by the rise in the prices . . . the small owners have suffered'; and the reason given is that the latter have little to sell and as much as ever to buy.[3] Similarly in Ajnala (Amritsar), where holdings are as small as in Hoshiarpur, we read that in certain villages of very small holders high prices have been 'more a curse than a blessing', for they hardly ever have any surplus to take to market, while in a bad year they seldom have enough to eat.[4]

Effect of High Prices

In this connection Dr. Mann's enquiries in the Deccan are of interest. Examining the results of his survey of two villages in the light of a 50 per cent rise in prices, he came to two conclusions: firstly, that only those who had plenty of land and

[1] p. 125.
[2] *Punjab Famine Report*, 1879, p. 432.
[3] Bhalla, op. cit., p. 86.
[4] *Ajnala A.R.*, 1913, p. 17.

who cultivated it themselves benefited by the rise, while upon the village as a whole the effect was bad; and secondly, that the *gulf between the solvent and the insolvent tended to widen.* In the Deccan at least, he says, 'the evil effects of a rise in prices on the general conditions of the rural population can hardly be gainsaid'.[1] In the Punjab, in the ten years ending 1920, prices rose over 5 per cent,[2] and though the effect of this would appear on the whole to have been good, there is evidence that the gulf between the solvent and insolvent is widening. The solvent are certainly more solvent: the best instance of this is the remarkable prosperity of the canal colonies, which, as we have seen (p. 150), is largely due to the effect of high prices; it is also evident in the rapid growth of the agriculturist money-lender described in the last chapter. For the contrary process we have only to refer to the examples given above and to the vast increase of debt. Both in Hoshiarpur and Amritsar, from which our examples were taken, debt increased during the ten years ending 1926 by over two crores; and in Jullundur, where the peasant proprietor has less land than almost anywhere else, it has increased by over 1¾ crores.[3] Only in two other districts (Ferozepore and Lahore) has the increase been greater. A point worth noting in connection with Jullundur and Hoshiarpur is that, in spite of the heavy increase in debt, the number of those who are not in debt is much higher than in most other districts, amounting in the case of the latter to 30 per cent. Both are prosperous districts, and it looks as if high prices, in increasing the debt of the many, had strengthened the position of the few.

For the smallest holders high prices are probably a curse, as for the large they are clearly a blessing. For the holder

[1] *The Bombay Co-operative Quarterly*, March, 1920.

[2] According to Professor Myles' figures (see footnote on p. 238) prices in the ten years, 1911–20, compared with prices in the preceding decade, rose 58 per cent. The corresponding figure taken from Professor Brij Narain's tables is 41 per cent, and, if 1906–10 is compared with 1916–20, it is 62 per cent (op. cit., pp. 451–52).

[3] The annual net increase in mortgage debt has been calculated as above, and to obtain the total increase, mortgage debt has been assumed to be 60 per cent of the whole (see p. 39).

The Rise in the Standard of Living

who cultivates ten or twelve acres it is a question whether they are good or bad. The chapter upon the rise in the standard of living suggests that on the whole they are good; on the other hand, we are faced with the fact that there has been an enormous increase of debt. The combination of the latter with a higher standard of living was noted in the case of America, and there the increase of debt would appear to have been closely connected with the better style of living. In the Punjab, tbe rise in the standard of living is primarily due to the great influx of wealth produced by the spread of the canal combined with high prices; but, as we have seen, it is the few with plenty of land who have derived the greatest advantage. Many of these have been able to change their whole mode of life, to build pukka houses, clothe themselves in fine raiment, and greatly improve their diet. Now, where men are gregarious and the herd instinct is strong, the general standard of living tends to be set by the prosperous few. In the village, where a few hundred souls live close together half isolated from the rest of the world, this instinct is peculiarly strong, and is seen in the villager's tendency—'*bhedchal*' as it is called in Punjabi —to follow his neighbours like sheep. A 'want', therefore, that starts as the luxury of the few, is apt sooner or later to become the necessity of the many, and, when the rise in the value of land has made it possible for most to borrow as much as they please, it is generally sooner than later. This tendency was noticed thirty years ago in the cultivators of Gujranwala. Their expenditure and standard of living, says the *Gazetteer* of 1894 (p. 85), 'are based on the income of good years and are not contracted to meet the exigencies of bad. Formerly, in bad years a self-acting law compelled them to live on what was actually produced, as they had no credit to supplement it. Now they find it easier to borrow than to alter their scale of living.' That puts the case in a nutshell, and with the recent fall in prices there is a real danger that the rise in the standard of living may be maintained more by an increase of debt than by an increase in production. Even before the fall there were signs of this, notably in the lavish expenditure upon marriage, which, as we know from a previous chapter, is one of the basic causes of debt.

Increased Cost of Marriage

In the absence of systematic enquiry at different dates, it is impossible to determine with certainty whether expenditure upon a given object has increased or diminished. In the case of marriage we are forced to rely upon general enquiry. My enquiries, which have been made in different parts of the province, tend to show that expenditure has increased and that the increase varies with the increase in debt. In the north, where the latter has been comparatively small, not much more would appear to be spent upon marriage than thirty years ago, perhaps even not as much, if the depreciation in the purchasing power of the rupee is considered. Everywhere, too, amongst the more educated there are signs of a desire for economy: the nautch and the firework display are condemned and less is spent upon jewellery. But in the central and more prosperous districts, where the increase in debt has been greatest, the position is dominated by the shortage of women, and more and more is spent upon obtaining a bride, even by those to whom actual purchase is repugnant. During Sikh rule little could be spent for want of means, but with increasing prosperity expenditure rapidly grew, and by 1870 we find the settlement officer of Gujrat noting that 'the prosperity of a district may be safely tested by the expenditure upon occasions of this sort', and he adds that 'the owner of a plough' spends 'not less than Rs. 165' upon his wedding, and the more substantial cultivator Rs. 545.[1] In Rohtak, a girl's marriage in the seventies cost from 100 to 150 rupees, and a boy's from 70 to 100.[2] In Amritsar, it used to be 'common enough' to spend only Rs. 100 on a marriage,[3] and even now in the north and south-west of the province not much more than this will be spent by an ordinary cultivator. But in the canal colonies and the central Punjab the cost is rarely less than Rs. 500, and may run into thousands.

A few specific cases will show the change. An ex-inspector of police, who remembers the days of the Sikhs, recalls a small proprietor who, having to raise Rs. 26 for his marriage, sold a cow, and, after borrowing as much as he could from his relatives,

[1] *Gujrat S.R.*, 1870, pp. 50 and 54. [2] *Rohtak S.R.*, 1873–79, p. 64.
[3] *Amritsar Gaz.*, 1892, p. 47.

was still two rupees short. The inspector's wedding cost his father Rs. 400, but his son's cost him Rs. 3,500. As I write, the son of an old Sikh *kardar* informs me that his father married him in 1873 for Rs. 150. He himself has married four sons and five daughters, the first son in 1892 for Rs. 500, the second ten years later for Rs. 1,000, the third in 1913 for Rs. 1,300, the fourth during the war for Rs. 2,000, and finally the daughter this year for Rs. 5,000. Yet he inherited only 100 acres out of his father's 400. The president of a co-operative union, who was also married in the early seventies, states that on that occasion, though his father was headman of the village, only Rs. 150 was spent upon jewellery, but that when he married his own sons, four in number, in each case he spent Rs. 2,000, *plus* another Rs. 1,000 upon miscellaneous expenses. At his own wedding the jewellery was of silver, but for his sons it was of gold. He had to borrow to meet the cost, and in the end a large slice of his land had to be sold to pay off the debt. As a final example we may mention the case of a Government official, who has married thrice. The first time, twenty years ago, it cost him Rs. 1,000; the second time, nine years later, Rs. 3,000; and finally, in 1922, Rs. 4,000. On this occasion the jewellery alone cost Rs. 2,800. To many, even greater than the expense of the jewellery is the price of the bride. In the fifties a Manjha Jat could buy a bride for Rs. 50, and he rarely paid more than Rs. 500;[1] but now he is lucky if he gets one for Rs. 1,000. In other ways also expenses have gone up, partly as a result of the higher standard of living and partly owing to high prices, which at a marriage hit the cultivator as hard as anyone else, for then he is more a consumer than a producer. It is not only that ornaments are of gold instead of silver, but the clothes that have to be given are no longer made at home. Formerly, too, a single feast in the evening sufficed, but now there must be breakfast in the morning as well, and amongst the Sikhs the guests may remain for two or three days. In short, it may be confidently stated that few can get married without spending at least a full year's income in the process.

There is one economic factor which must now be discussed, as it is frequently mentioned in connection with debt, and that

[1] *Lahore S.R.*, 1858, p. 11.

is the land revenue which is paid upon all land according to its yield. We touched upon this in the first chapter, and observed that it was not an important cause of debt (p. 19). The contrary, however, is so frequently stated that it will be as well briefly to examine the evidence on the subject. For this we have to rely mainly upon the reports of settlement officers, whose business it is from time to time to re-assess the land revenue of the province.

Land Revenue and Debt

The first point to notice is that under the Sikhs the land revenue demand was far heavier than it is now, but debt was much less. As a rule from 30 to 40 per cent of the gross produce was taken, and occasionally even 50 per cent or more.[1] It was nearly always taken in kind, and though the demand was high it had at least the merit of adjusting itself automatically to the state of the harvest. If fairly administered, as was more often the case than is sometimes supposed, though leaving but little surplus in the hands of the cultivator, the system was not oppressive, and the fact that in the Lahore district there were more wells in the fifties than there are now shows that people found it worth while to sink capital in the land.[2] Much depended upon the individual governor or *kardar*. Many were comparatively mild, and one, Diwan Sawan Mal, who governed Multan for twenty-three years (1821-44), was remembered fifty years later with esteem and affection. Yet even he managed to accumulate a private fortune of over £1,000,000, which is more than the whole land revenue that could possibly have been taken by the British Government during the same period.[3] If, on the other hand, the governor was a tyrant, like Ude Singh of Kaithal, the position was very different: 'Every man's hand was against his neighbour. Bloody forays were of constant occurrence, and the officers of the Sikh Government found it often to their interest to go shares with the marauders. . . . The cattle went to graze guarded by herdsmen armed with matchlocks, the very wells had to be protected by towers in which the cultivator could take refuge with his implements of husbandry

[1] See the earlier settlement reports, e.g. Prinsep's Report on Sialkot.

[2] At the first settlement, 1852-56, there were 10,449; in 1870, 12,364; and in 1916, 9,501. The great extension of canals has led in many districts to a reduction in the number of wells.

[3] *Multan S.R.*, 1873-80, p. 10.

on the occurrence of sudden alarm. . . . Many villages were altogether deserted, the owners taking refuge in large villages which were able to defend themselves both against their rulers and their fellow-subjects.'[1] It might be a picture of the trans-border tribes of to-day; actually it is a picture of a district south of Ambala in the forties; and to show that it is not exaggerated we may quote from the report submitted to Government when Kaithal, the area in question, was annexed: 'The State considered all land its own, to be dealt with as it pleased. Cattle at graze were attended by bodies of armed men; forays and bloodshed were frequent and want of security caused the zemindars to plunder in self-defence.'[2] It can easily be imagined that under such a system debt was not likely to grow very fast, and even at its best the system left the cultivator but little surplus for the repayment of a loan.[3]

With the annexation of the province came a radical change. The demand was lowered and converted from kind into cash, but it was not at first lowered enough to suit the less elastic system of collections in cash. Consequently, the cultivator was still sometimes in difficulties, and Mr. Thorburn was inclined to think that, when a man was already involved, the want of elasticity, implicit in a cash demand, involved him deeper in debt, but he states definitely that land revenue 'is rarely an original cause of debt'.[4] Since Mr. Thorburn wrote, the demand has been still further lowered and has become far less rigid than it was. Even when paid in full it does not amount to more than 5, or at most 6, per cent of the gross produce, against the 30 or 40 per cent taken by the Sikhs; and if a harvest fails it is invariably suspended, and if harvest after harvest is bad it is frequently remitted.[5] 'I never found,' says a

[1] *Kaithal S.R.*, 1888, p. 30.

[2] Captain Abbott's report of October, 1847, to the Commissioner, Cis-Sutlej States (see *Thanesar S.R.*, p. 32).

[3] 'The weak point of Sikh rule in the eyes of the agriculturist was that the *kardars* never hesitated to impose arbitrary fines when they found that a man had contrived to save money in spite of the land revenue demand' (*Jhang S.R.*, 1874-80, p. 115).

[4] Op. cit., p. 33.

[5] In the Punjab and United Provinces the average annual amount suspended between 1881-86 and 1905-10 rose from 4·08 to 32·86 lakhs, and the average annual amount remitted from 1·98 to 27·79 lakhs (note by Sir Edward Maclagan, dated 14 November, 1911).

settlement officer of the seventies, 'a single authentic case of debt caused by the necessity of paying revenue alone, although, of course, this is always put forward as the first reason.'[1] This in one form or another, is the burden of nearly all the official reports on the subject. It would be tedious to quote from them at length, but two instances may be given. In 1889, a number of district officers were consulted by Government as to the causes of the increase in debt, which was then beginning to excite alarm. They were unanimous that it was not due to any harshness in the land revenue system.[2] Similarly, twenty-five years later, just before the beginning of the war, careful enquiry made in the weakest circle of the Amritsar tehsil 'failed to elicit a single case in which the pressure of the land revenue demand was in any way responsible for indebtedness'.[3]

From time to time revenue officers have gone so far as to advocate a higher demand, on the ground that it would incite the cultivator to greater effort. 'I have little doubt,' writes a settlement officer in 1864, 'that if we kept up the revenue to its full amount as levied by the Sikhs, the pressure of revenue itself, combined with peace and loss of service, would have compelled an extension of cultivation *greater* even than has now taken place'; and of the effects of reduction the same officer acutely observes: 'At first, for five or ten years, there may be a slight improvement in their condition: they eat a little more and keep a cow. But soon the family extends; the land is again subdivided; and instead of one pauper there are now two as poor as the first used to be.'[4] This view is endorsed by the high authority of Mr. B. H. Baden-Powell, who writes: 'Nothing can be more curious than the result of a low assessment. In one large district, where a low assessment was secured for thirty years, the result has been, not that a wealthy class has arisen, but simply that all restraint has vanished and the poor population has multiplied.'[5] This is a good instance of what has been said more than once, that in this country sooner or later every blessing is neutralized by an increase of population.

[1] *Rohtak S.R.*, 1873–79, p. 63.
[2] Memo. by the Financial Commissioner, dated 15 August, 1889.
[3] *Amritsar A.R.*, 1912.
[4] *Jhelum S.R.*, 1864, p. 76.
[5] *Land Systems of British India*, 1892, i, 346.

Whatever else may happen, a reduction of land revenue will certainly not reduce debt. 'To reduce the Government demand,' says a shrewd observer of the seventies, 'is to put so much more money in the mortgagee's pockets,' and he adds that nowhere is debt greater than in good villages lightly assessed.[1] Lahore is the most lightly assessed district in the province,[2] yet in the ten years ending 1926 its debt increased more rapidly than that of any other district except Ferozepore. In Ferozepore itself the assessment is 'extremely lenient'.[3] In Gurgaon, as we have seen, the Ahirs are much less indebted than the thriftless Meos, though they are 'exceptionally heavily assessed' and the Meos are just the contrary.[4] The latter, it is said, will exert themselves only under compulsion,[5] and experience shows that in such cases cultivation is apt to deteriorate with a light assessment. This agrees with the experience of Russia, where the fall in production since the Revolution is attributed *inter alia* to relaxation of the pressure of taxation and debt.[6]

It is clear, then, that land revenue is not a primary cause of debt. This does not mean that it is not often an occasion of borrowing. The annual returns of co-operative societies show that 11 per cent of the loans made by village banks are on this account;[7] but this is due less to necessity than to convenience or prudence. The revenue may have to be paid before the crop can be satisfactorily marketed, or a farmer may decide to hold up his crop for a rise in price. Or possibly a man may be so involved that he has to borrow for everything. The author has had occasion to go through nearly all the settlement reports of the last 70 years, and most of the assessment reports of the last thirty years, and only in the case of three tehsils has he

[1] *Jhang S.R.*, 1874–79, p. 130.

[2] *Lahore S.R.*, 1916.

[3] *Ferozepore S.R.*, 1916, p. 14.

[4] *Gurgaon Gaz.*, 1910, p. 102.

[5] *Gurgaon S.R.*, 1909, p. 13.

[6] 'Quite apart from the decay of the transport system, the pressure formerly exerted upon the Russian peasant by taxation and by his indebtedness no longer exists, and without it the peasant has little reason for exerting himself particularly' (Professor Max Sering, in the *Manchester Guardian*, 'Commercial Reconstruction in Europe', 17 August, 1922).

[7] *Co-operative Societies' Report*, 1927, p. 16.

found debt connected with land revenue.[1] When it is remembered that land revenue averages only Re. 1-13-0 per cultivated acre against Rs. 31 in the case of debt, and that in interest alone the cultivator *has every year to pay nearly three times the whole* land revenue of the province,[2] the only ground for surprise is that anyone should ever have considered it a serious cause of debt.

We have now examined all the causes of debt, and for the sake of clearness we may summarize our conclusions as follows:

The Causes of Debt Summarized

There are four main reasons why the peasant proprietor is obliged to borrow:—

1. The small size of his holding and the way it is split up, conditions which make it almost impossible for him to live without getting into debt, unless he is exceptionally frugal and industrious, or has some extraneous source of income;

2. His constantly recurring losses of cattle from drought and disease;

3. His ingrained improvidence, the effects of which are greatly aggravated by insecurity of crop; and,

4. His extravagant expenditure upon marriage and other domestic ceremonies.

In addition there are two causes that make borrowing easy, namely:—

The money-lender and his vicious system of business; and,

The great expansion of credit due to high prices and the inflated value of land.

The first four causes explain why the peasant proprietor *must* borrow, the last two how he *can* borrow, and it is the combination of 'must' and 'can' that explains the great increase of debt in the last fifty years. Or, expressing it differently, we may say that the first four causes explain the existence of debt, the money-lender and his system its continuance, and the expansion of credit its volume.

[1] viz. Pasrur (Sialkot), Gujar Khan (Rawalpindi), and Ferozepore. In Pasrur it is said to be difficult to pay land revenue in bad years, and it is reported to be a cause of debt in the riverain area of the Ferozepore tehsil. The Gujar Khan report was written in 1904; conditions have probably changed since then.

[2] See p. 18.

Two minor points must also be noted: litigation, though a serious factor in certain districts, is not a major cause of debt; and land revenue, though often a cause of borrowing, is rarely a cause of indebtedness.

Debt in the Canal Colonies

Now let us try and summarize the effect of these causes upon the different parts of the province. The best way to do this is to give the results for each of our six circles. These may be tabulated as follows:—

Area (No. of districts concerned in brackets)		Debt's multiple of land revenue[1]	Debt per cultivated acre	Debt per head of the rural population
			Rs.	Rs.
Submontane	(4) ...	24	53	51
Central	(7) ...	22	36	51
North	(3) ...	13	12	20
South	(4) ...	15	15	31
West	(4) ...	15	20	34
Canal Colonies	(4) ...	2	5	9
Punjab	(29)[2]...	19	31	49

The most striking feature of these figures is the lightness of debt in the canal colony districts. At first sight this would seem flatly to contradict the general principle laid down in this chapter, that prosperity and debt go hand in hand. The inconsistency is more apparent than real, and has already been briefly explained in connection with Gujranwala (p. 80). It was said then that the immediate effect of the opening of a new canal was to reduce debt, and in the light of our further experience we may add that in a canal colony indebtedness is of little account for at least a generation. Those who were poor find themselves prosperous, and those who were prosperous find themselves rich. Large areas are reclaimed, production is increased, and with compact holdings, regular harvests and high prices, enormous profits are made. The ultimate effect, however, is likely to be

[1] The debt in question is the debt of proprietors and occupancy tenants only (see first footnote on p. 39).

[2] In the detailed figures given above three districts have been omitted, viz. the hill districts of Simla and Kangra, because their conditions are peculiar, and the district of Jhang because it belongs partly to the canal colonies and partly to the west.

different. With an improvident and almost wholly illiterate peasantry, wealth, as we shall see in a moment, is quickly dissipated, and what remains has to be divided amongst a larger population. In 1891 the whole population of the Lyallpur colony was 65,000; twenty years later it was 1,105,997, of whom over half a million were born in or near the colony.[1] It is highly significant that in the ten years ending 1926 debt in the Lyallpur district increased by nearly two crores. This can be no mere coincidence, and it may be prophesied that, if present conditions persist, the canal colony districts will eventually become as indebted as any other part of the province.

Prosperity and Insecurity of Harvest

Comparing the remaining areas with each other, we see that debt is lowest in the poor but hardy north, and highest in the comparatively prosperous districts of the central and submontane Punjab, which virtually form a single area. In the south and west conditions are dominated by the insecurity of the harvest, a factor only less important than prosperity. This will be clearer if six prosperous districts are compared with six that are insecure, thus :—

	Debt's multiple of land revenue
Prosperous—Lahore, Amritsar, Ferozepore, Jullundur, Hoshiarpur and Ludhiana	25
Insecure— Attock, Mianwali, Muzaffargarh, Dera Ghazi Khan, Hissar and Gurgaon ...	20

There is not much to choose between the two groups. If debt is lower in the insecure districts, it is because insecurity, while obliging a man to borrow, limits the amount that can be borrowed. This was explained above (p. 100). On the other hand, with prosperity the necessity to borrow may be less, but the opportunity is greater, and 'wants' are as much dictated by the one as the other. Thus extremes meet. On the one side debt is high because the lack of irrigation and rain places the cultivator at the mercy of nature; on the other side, where harvests are secured by canal and well, debt is even higher owing to the prosperity that follows. It is a vicious circle from which some issue must be found, but before this can be attempted the effects of prosperity must be briefly examined.

[1] *Chenab Colony S.R.*, 1915, p. 35.

Does Prosperity Demoralise?

In these days of material ends it is considered almost eccentric to question the benefit of a material good. Critics of the British Government love to dwell upon the poverty of the country, and there is nothing that they are more reluctant to admit than the possibility of its being comparatively prosperous, fearing, no doubt, that such an admission would imply that Government was virtuous and wise. They have less reason to fear than they suppose, for prosperity is not necessarily good, as some nations have found to their cost. Whether it is good or bad depends upon its effects, which vary from country to country. In the Punjab prosperity, on its purely material side, has undoubtedly been good. This is clear from the rise in the standard of living, which is all to the advantage of the country. So far, however, as character is concerned, the question is more difficult to answer, as there are no mathematical tests by which character can be judged. We are forced, therefore, to rely upon the experience of those who know the cultivator best. In questioning them I have been surprised to find, with few exceptions, almost general agreement that, though the standard of comfort is higher, the general effect of prosperity is bad. In my own opinion this view requires qualification, and the best way to show this is to compare what are probably the two most prosperous districts in the province, Ferozepore and Lyallpur. Both have already been described, and it will be remembered that in both poverty has been followed by wealth, but, whereas in Lyallpur this has been due largely to endurance and effort, in Ferozepore it has come unsought like the shower of gold into Danaë's lap. In the Lyallpur colony, 2½ million acres have been reclaimed by a picked body of men, who had to face all the hardships of the desolate *Bar*; but in Ferozepore, cultivation has only been slightly extended.[1]

The result is what might be expected. Ferozepore recalls the spendthrift who dissipates a fortune that he has done little to acquire; Lyallpur, the self-made man who has acquired his wealth too laboriously to throw it recklessly away. In Ferozepore drink, dissipation and gambling, litigation, bribery and extravagance are all rampant, and nowhere is more spent upon

[1] See p. 51.

marriage. Hence a vast increase of debt, which in the ten years ending 1926 was probably as much as five crores. In Lyallpur, on the other hand, the increase in the same period, though considerable, was far less, and there is every reason to believe that a substantial portion of it was due to the acquisition of proprietary rights and to agricultural development. In Ferozepore then is hardly a sign of the matter,[1] but in Lyallpur there is more of this than anywhere else in the province. In Ferozepore, too, education hardly exists, but in Lyallpur it is everywhere in demand, and is now (1927), with the consent of the people, compulsory in 76 rural areas. The difference is vital. Without education prosperity demoralizes, but with it a new and better order of things may be started. Even in Lyallpur, the great wealth that poured into the colony at the end of the war threatened at one time to become a demoralizing influence.[2]

The districts of Ferozepore and Lyallpur are typical of the influence of prosperity in the Punjab. In so far as it springs from effort and leads to education, it is good; but in so far as it comes as a windfall to men who are too uneducated to apply it to their advantage, it is a disaster. Lyallpur on the whole is a case of the former, and Ferozepore a clear case of the latter. What of the rest of the province? In the wealthy districts of Sheikhupura and Lahore[3] conditions resemble Ferozepore. The Manjha, to which most of Lahore belongs, has long been notorious for the boldness and variety of its crime. The advent of the canal, in 1896, only made things worse.[4] Holdings are large, and for the most part in the hands of owners who are too lazy to cultivate them themselves. The few who farm make large fortunes. Two brothers, for instance, who owned 150 acres, recently asserted in court that they had Rs. 70,000 in cash, a statement which their neighbours corroborated.

[1] There are 'no new varieties of crops or selected seed; improved agricultural implements are practically unknown' (*Ferozepore Gaz.*, p. 161).

[2] e.g. the value of the liquor sold in licensed shops on the Jhang branch was four times as great in 1919-20 as in 1913-14 (*Jhang Branch S.R.*, p. 7).

[3] In 1916 Sir Michael O'Dwyer wrote of the material prosperity of the Lahore district, 'No part of the province can show more marked improvement in the present generation' (*Lahore S.R.*, 1916, p. 1).

[4] 'The prosperity due to canal irrigation has had a bad effect on his (the cultivator's) character' (*Kasur A.R.*, 1913, p. 17).

Throughout the tract drink and crime are the rule, matricide and parricide not uncommon, and female infanticide far from rare. The demoralization of the people is complete, and the adjoining district of Sheikhupura threatens to follow the same primrose path. In Montgomery, which also marches with Lahore, the first effect of the new colony has been to corrupt the aboriginal Jangli. On the other hand, in the much older colony of Shahpur, though cattle-thieving is better organized than ever and bribery has greatly increased, prosperity on the whole seems to have done more good than harm, and, as in Lyallpur, is accompanied by a keen desire for education. In the older districts of the central Punjab the balance of good and evil is more difficult to determine. An American writer points out that an increase in agricultural indebtedness is a sign of prosperity only if it accompanies an increase in production. 'It is essential,' he says, 'not only to the welfare of society in general, but also to the security of the farmer himself, that an increase in the returns from agriculture shall have resulted mainly from an increased production rather than from high prices.'[1] In the Punjab we have a combination of both. In the last thirty years cultivation has increased by 25 per cent and prices have risen by over 100 per cent.[2] The serious factor in the situation is that debt has risen by 300 per cent. No doubt some part of this increase is due to productive expenditure. For example, in a district like Amritsar, where 175,000 acres of colony land are owned, large sums must have been raised to break up and cultivate the virgin soil of the *Bar*. In Jullundur and Sialkot a large number of wells have been sunk, and in 1925-26 there were in the Punjab nearly 24,000 more masonry wells than there were in 1911-12, representing, at Rs. 500 per well, a capital outlay of over a crore.[3] Throughout the central Punjab, too, land has been freely mortgaged by those who wanted the means to emigrate to Africa, America and the Far East. But even if all these factors are discounted, the bulk of

[1] Nourse, op. cit., p. 722.

[2] The average sown area for the five years ending 1900-01 and 1924-25 respectively was 24·07 and 29·94 million acres, which gives an increase of slightly less than 25 per cent. Figures for the sown area are available only since 1895-96.

[3] See third footnote on p. 168.

the fifty crores that have been added to the debt of the province represents at best a sheer waste of valuable resources, and at worst the spread of demoralizing influences. In certain tracts we are reminded of Tolstoy's fable—'How the Little Devil Atoned for the Crust of Bread'. As long as the peasant was poor, the devil could do nothing with him; in despair he taught him how to get rich, and with that all difficulty ceased. Explaining the process to a colleague, the devil said with modest pride: 'I merely made the peasant grow too much corn. That was all. You see the right stuff (that is to say the blood of wild beasts) was in him already . . . only it had no outlet so *long as he grew corn merely for food . . . but he had no* sooner come to possess a surplus of grain than he came also to cast about how to divert himself. Then I stepped in and taught him a new diversion—namely, drinking. . . . And now that he has once tasted liquor, he will remain a beast for ever.' The fable might almost have been written of Ferozepore and the Manjha; and elsewhere, too, the position would be serious, but for the new spirit awakened by the war, which is seen at its best in the growing desire for education and the rapid spread of co-operation.

Our conclusion, therefore, is that the prosperity of to-day has been too easily won, and a great part of the wealth that has accrued has been thrown away upon unproductive, not to say unworthy, ends. Meanwhile, the standard of living has risen and population is growing. The danger is that, if this waste continues, the one will clash with the other. The moral is obvious: education is necessary, but not simply the education of the school, though this is of vital importance, but the wider education of co-operation involved in the ideal of 'better farming, better business, and better living'. Otherwise prosperity, instead of becoming the foundation of a new civilization, may simply result in dissolving the old.

CHAPTER XIII

CO-OPERATION

'The people which sat in darkness
Saw great light.'

In one of his novels Tolstoy, commenting upon the influence of the West upon Russia, observes that the rapid development of credit, communications and industries had been as bad for the country as the over-development of a single organ would be for an animal, since it had thrown 'into the background the chief question calling for settlement—the question of the organization of agriculture'.[1] The same might be said of the economic development of India in the last century. There was an almost feverish desire (not willingly recognized by the modern politician) to mitigate the poverty of the people and to introduce all the material blessings of the highly industrialized West. But it was an individualistic age, in which the spoils fell to the astute and the strong rather than to the simple and the weak; and, as a result of the spread of the industrial system, prosperity was viewed more from the stand-point of the town than from that of the village. The rapid growth of large urban centres, like Calcutta and Bombay, was regarded with pride, and everything was done to foster their development. The construction of rail and road encouraged the process, and the very educational system was adapted more to those who lived by the pen than to those who lived by the plough. A new *intelligentsia* arose, as urban in outook as it was in origin, and, as Government recruited nearly all its officials from its ranks, the whole administration unconsciously assumed an urban complexion. In the Punjab the development of the canal system did something to redress the balance, but the villager's ignorance and improvidence robbed the boon of half its advantage, and with the decay of the village community and the establishment of a complicated system of justice, administered by 'town-bred men of the desk', the peasant suddenly found himself at the mercy of money-lender, lawyer, and trader. The first tempted him to borrow, the second to quarrel, and

The Need

[1] *Anna Karenin*, vol. ii, p. 4 (tr. C. Garnett).

the third to waste. Consequently, the wealth, which rising prices and increasing production brought to the village, was sucked back into the town before it had time to fertilize the soil. By 1890, it began to be realized with dismay and astonishment that instead of becoming richer the cultivator was in danger of becoming poorer, as his land was rapidly passing into the hands of the money-lender. In the Punjab, the Land Alienation Act was passed to remedy the evil; but men cannot be saved by Act of Parliament, and something else was needed to free the cultivator from his bondage and to replace the village community which had partially protected him in the past. Providentially it was about this time (1896) that Sir Frederick Nicholson's classic report on co-operation appeared. 'Find Raiffeisen,'[1] he said, and the situation would be saved. As a result of this report, here and there a 'sun-dried bureaucrat' began to experiment with village banks, and, thanks to their enthusiasm and to the sagacity of Sir Denzil Ibbetson and Lord Curzon, the first Co-operative Societies Act was passed in 1904. In the Punjab the peasant of to-day regards the Land Alienation Act as the Magna Carta of his freedom, but his descendant is more likely to give the title to the Act which, more than any other, has made progress possible to the village.

The Co-operative Organization

Though much has been written on the subject of co-operation in India, some description of what has been achieved in the Punjab is necessary to our purpose, for without it the picture that we have attempted to draw of the economic condition of the province would not be complete. 'Our object,' says Mr. Calvert, in one of his reports, 'is to examine the whole economic structure of the province, to study the defects which retard economic progress, and to discover the factors which contribute to the comparatively low standard of prosperity; and then to devise schemes whereby the people can remedy these deficiencies and remove these factors by organizing for self-help and mutual help.'[2] Co-operation has, in fact, set itself to solve the problems that we have been considering throughout this book.

The primary object of co-operation in India is to free the

cultivator from the vicious system of credit described in Chapter XI, and its ultimate object to bring civilization, in the truest sense of the word, within reach of the village. 'The basic assumption on which we work,' says Mr. Calvert in the same report (p. 6), 'is that the rural masses can be lifted on to a higher plane of wealth and culture; that "the poor illiterate peasant" need be neither poor nor illiterate, that "the stupid cultivator" will respond to efforts to make him intelligent; and that, in short, the future of this province depends upon the measure in which the mass of the people can be taught to understand the influences that mould their lives.' In the chapter on agricultural progress we saw that little can be done without organization, and that, if this was true of other countries, it was doubly true of India, where the forces arrayed against the cultivator are overwhelmingly strong. Thanks to organization, twenty years of effort have produced over 80,000 co-operative societies in India, of which over 17,000 with about 500,000 members, are to be found in the Punjab alone.[1] Again and again in the course of this book we have caught glimpses of the beneficent and stimulating influence of these societies upon the life of the people. In hundreds of villages the money-lender's ascendancy has been definitely broken, and in many the members of the local village bank owe him nothing at all. To such men co-operation has meant little less than a revolution; not the kind that ends in licence, bloodshed and chaos, but the kind that develops energy, straight-dealing and self-reliance; and pleasanter things, too, as in the case of the man who, unable owing to his poverty to get a wife, joined a village society and at once received several offers of marriage.

Difficulties of Organisation

How has this been achieved? It is a long story, which will be cut short with two instances which are typical of the difficulties that had at first to be overcome. In 1916 a meeting was held in a remote upland village in the hills, to explain what co-operation meant. Within ten miles there was neither hospital, school, nor post office. But there were plenty of money-lenders, some of them, to judge by their faces, veritable Shylocks. No one had the

least idea what a village bank was—some dodge, they thought, of the *Sirkar* to get their land and money. One man kept asking what share Government got out of the profits? It took half an hour to persuade him that it got nothing. There was not the least doubt that a bank would be a blessing to the neighbourhood, but few could see this. One local notable, a Brahmin, understood: He came ten miles to attend the meeting, and was eager to start a society. Another, too, saw its possibilities, but was too timid to do anything. It was whispered that the money-lenders had got hold of him. Here, in miniature, were the elements out of which the 13,500 village banks of the Punjab have arisen—two intelligent men, one public-spirited as well as intelligent, and the other half paralysed by timidity, while the large majority were blinded by ignorance, suspicion and fear. It is from these paralysing influences that the peasant has to be set free before a society can be started, and it is in this that those who are educated can help those who are not. It is a regrettable fact that, though there are brilliant exceptions, especially in Bombay, the educated as a class have so far shown little inclination to help. Yet there is no better way to win the cultivator. One of the pleasantest experiences the writer ever had was when he returned to a village a year after a bank had been started there. Originally opposed to it, the whole village came out to meet him, and, in the delightful manner of the East, filled the air with the joyful expression of their gratitude. In another village close by, where the people had been so improvident that the very money-lenders would no longer lend to them, an almost model bank was found, with everyone working twice as hard as before. Once a society is started, with good management and careful control it is almost certain to do well, for, thanks to the old village system, peasants in India are accustomed to act together, and will follow leaders they trust like sheep.

The second illustration of the difficulties of organization relates to a small town in one of those uncomfortable districts that are officially described as 'arid'. Many of the people were poor, and the money-lender was strong. The few banks that official zeal had contrived to set going were ailing for want of money. The only way to obtain it was to start a central bank that would draw deposits from the town and distribute them to

the village banks. The usual preliminary meeting was held with the usual enthusiasm. Without doubt, they said, there must be a central bank, and it must be a fine large bank that everybody would talk about, with at least 1,500 shares and a capital of a lakh and a half. With difficulty they were got to agree to a much smaller affair. A month later there was another meeting, at which everyone was to announce how many shares he would take. Many enthusiasts of the first meeting were now conspicuous by their absence. Two public-spirited gentlemen, however, announced that they would take the maximum number of shares. There was then an ominous pause. A leading notable was asked how many he would take. 'First ask Kishen Singh,' he replied, pointing to a neighbour. Kishen Singh was, of course, in favour of the bank, but who was he that he should speak first amongst his fellows?—'nay, rather ask Allah Ditta'. Allah Ditta said he would take shares if everyone took them. And so said the four leading village headmen who were present. 'We will take shares in the Sahib's bank if all the village headmen of the district are made to take shares.' It was explained that it was not the Sahib's bank, but their own. 'Great is the kindness of the Sahib,' they replied, still, however, hanging back. An appeal was then made to the Bar. 'We are poor men,' they protested, 'and our expenses are great. Moreover, by lending in the city we can get 9 or 10 per cent on our money.' With difficulty they were persuaded to take two shares each. The 500 shares, to which the original proposal had been cut down, were eventually sold, but to achieve this took three months of sustained effort and of methods that were not strictly co-operative.

The points to note in this case are: firstly, the initial enthusiasm, turning at the first demand for practical support into tepid indifference; secondly, the wide-spread fear that money once given would be for ever lost; and, thirdly, the apathy of the more educated. Lastly, without an obstinate Government official to hold everyone to his promise, the bank could hardly have been formed. Yet it has already done immense good. Where there were barely half a dozen village banks there are now, ten years later, over 200, and their members save Rs. 50,000 a year in lower interest charges. Moreover, the once unwilling shareholders have received a steady 7 per cent on their

money. A final point to notice, and it is as important as any of the others, is the public spirit of the two gentlemen who each took the maximum number of shares. Neither had been at a university, as all the members of the Bar had, and one was actually a money-lender by caste, and stood, therefore, to lose by a central bank.

Bad Societies and their Defects

It was some years before the initial difficulty of grafting a new and wholly foreign idea into the aged wood of India's economic life could be overcome. Now, however, all over India societies are multiplying fast. In the Punjab alone the last five years (ending 1927) have seen an increase of over 7,000.[1] There are, of course, tares amongst the wheat, and at one time, ten years ago, they threatened to choke it altogether. Some areas (not in the Punjab) are still in danger, and in one district in another province, where 130 societies were recently in liquidation, liabilities were so formidable that the fullest use of official pressure was unable to extract more than 30 per cent of the amount due, and the 4,000 defaulting members were so broken in spirit that 40 per cent of them left their villages to seek their fortunes elsewhere, and half the remainder gave up the cultivation of their lands in despair, preferring to pocket a rent which they could conceal to growing crops that might be attached. *Corruptio optimi pessima*—so much so, that for some time co-operation stank in the nostrils of the district. The case is, of course, exceptional, but it is a warning of the limitations of co-operation in a country where people are improvident and unbusinesslike, and where the climate easily deadens effort. These societies were started in haste; the official control which is essential in backward countries was not sufficiently close; the local co-operative central bank, thinking only of its dividends, poured out its loans, and the money obtained without effort was spent without thought, and some of it was even embezzled.

But to return to the Punjab. Here, too, there have been plenty of black sheep. A typical case is a society of ten Gujars, half herdsmen, half farmers, who in as many years accumulated a capital of Rs. 30,000, a very creditable performance it seemed,

[1] In 1925-26 alone, the increase was 2029.

till it was found to be almost entirely a paper transaction. An examination of the books showed that, while the president and his family had paid in Rs. 12,000 for their shares, they had borrowed Rs. 18,000 for themselves. In greater or less degree every one did the same, borrowing from the bank to pay their shares, so that it was a question whether any of the share payments had ever been made at all. The interest account was little better. Rs. 2,000 were in arrears, or an average of Rs. 200 per member. But the worst feature was the way the poorer members were encouraged to borrow, in order that, when they could not repay, the president might step in and buy their lands, in return for which he paid their debts. This society, which an inspector described as 'an Augean stable', has now been wound up.

The next case, a society of twelve Rajputs, is almost worse. After six years of co-operation its members owed Rs. 900 a head, a large sum in a country as poor as India. The president and treasurer alone owed Rs. 3,750, and, while the total net annual income of the twelve members was estimated at Rs. 1,050, the interest due every year from them amounted to Rs. 900. The members were, in fact, jointly and severally bankrupt. By cheapening instead of improving their credit, the society had merely snatched them out of the money-lender's frying pan to pitch them into the fire of reckless extravagance.

These three examples illustrate most of the difficulties that co-operation has had to contend with in India: careless loans, heavy arrears of interest, selfish committees, fictitious payments, dissension, occasional dishonesty, and a general apathy about repayment. The last is the greatest stumbling block of all, and is due to the vicious economic system that co-operation is slowly but surely replacing. The village money-lender rarely wants his principal back. Looking upon the cultivator as a cow that is kept to be milked, he is content with an occasional pailful of exorbitant interest; he would be almost resentful if a loan were repaid in full, as he would have one client less, and in addition all the trouble of finding a new outlet for his capital. The cultivator has, therefore, to be educated to repay, and it is no easy matter to change the habit of generations. Nor is he lacking in excuses. There is, for instance, the excuse plausible: 'I became as dust to dust in the labour I took to get money'; or the excuse reproachful: 'You have got us by the ear, but are we

not the *Sirkar's* children and is not the *Sirkar* our father and mother? It has given us the bank, and will it now torment us? Two harvests have there been and not a straw came forth. One the rains destroyed, and upon the other a plague of hailstones fell. But for the spring harvest there is not a field unsown. Have patience, and rich repayments will we make. Aye, for the love of God, have patience till then.' This appeal, which was once made by a set of rogues, is difficult to resist. A sterner man than the writer once resisted it in an individual case, and on returning next year found that repayment had been made. Remembering the violent protestations of his former visit, he asked how it was done. 'Oh,' they said, 'he sold a daughter.' Actually, of course, payment is never pressed for where there is genuine inability to repay, and the condition of the harvest is always the determining factor. But sometimes remonstrance is necessary, when, for instance, in a bad harvest, a large loan has been taken for a marriage. The Punjabi, however, is always ready with his reply: 'If we do not raise up issue we are as the unclean', or, 'The maid's father pressed a finger to my throat and compelled me'.

The Peasant's Difficulties

There are few better ways of getting a glimpse of the peculiar difficulties of the peasant's life in India than to question the defaulters of a village bank as to why they do not repay. The variety of the reasons given is astonishing. Let us take three societies at random. In the first there were only six defaulters. One had not repaid because he was engaged in a quarrel about some land with the village headman, who was president of the bank. Another had a prodigal son, who was wasting his substance; a third had gone off to Basra; a fourth had been shot through the face in the War and had taken to idle ways; the fifth was going to pieces; and the sixth had had bad luck with his harvest. The next society was worse—it had ten defaulters. The first had lost all his cattle and been forced to go out as a cooly; the second was in difficulties over a lease taken at too high a rent; the third had cleared off a debt to the local money-lender and had nothing left for the bank. The fourth was a minor, the fifth had too large a family, while the sixth was always down with fever. The seventh, after working in Baluchistan on a railway, had returned with an empty pocket owing to a

cheating contractor. The eighth had gone mad and was in an asylum; the ninth had lost half a dozen members of his family from plague, and had cheered himself up by spending Rs. 1,000 upon marrying two of the survivors. Finally, the tenth admitted frankly that he had been completely idle for two years. In the third society much the same tales were repeated with variations. Hakim, an Arain, after losing two sons had gone blind; Ghulam Nabi had had to sell cattle to pay off his dead father's debts; Ali Muhammad had separated from his wife—'her eyes are no longer beautiful in his sight', explained a member slyly—and, having no one to bring him his breakfast in the fields, found farming too much of a bother and took to working as a labourer. Meher Ali, on the other hand, had spent all his available cash, Rs. 100, in setting up a second plough with its accompanying yoke of oxen. For Budha there was nothing to be said: persistent litigation had almost reduced him to bankruptcy. Nor was there much excuse for the secretary, who had spent Rs. 1,500, or thirty times his land revenue, in marrying a son. The last case of all recalls the misfortunes of Job. The influenza epidemic at the end of the war carried off ten members of his family, and in 2½ years there were five or six outbreaks of cattle disease which killed thirty-five out of his fifty cattle.

This catalogue shows clearly enough the importance of organization in India. The difficulties of life are too great to be overcome without it. Disease, improvidence and debt make progress almost impossible, and by himself the individual cannot hope to overcome them. But organization is easier said than done, for the peasant is illiterate and entirely ignorant of business method and principle. A single instance will show what is meant. The society in question is in many ways remarkable, and was at one time one of the finest village societies in India. Starting twenty years ago in the usual way, with two or three hundred rupees to lend to its members, its capital rose in a few years to three lakhs. The village was not a large one; but its president, a self-educated man, inspired such confidence that the whole neighbourhood began to deposit money with the society. Other village banks borrowed from it, and eventually it was dealing with 100 societies, scattered over half the Punjab. In 1913, when one joint-stock bank after another collapsed, it

Ignorance of Business

remained unshaken. There was, indeed, no village society in the Punjab whose credit stood higher. Yet ten years ago, when it came under audit, its balance was found to be Rs. 12,000 short. On the other hand, a fine well built house had risen in the village, of so pleasant a design that for a moment it was a temptation to make no further enquiries. What had happened was this. The president, thinking that the head of so flourishing a bank should have a suitable residence, decided to build one, and, as the society always had more money than it could use, there was no difficulty about funds. Unfortunately, no one was formally consulted. A belated attempt was made to rectify this after the audit, but unhappily half a blank page early in the proceedings book proved a temptation, and the resolution of 1917 was entered amongst the resolutions of 1914, and antedated accordingly. This naïve bit of camouflage was, of course, detected at once. The last straw was the president's entire ignorance of what had been spent upon the house. There was no entry in the society's accounts, and the only person who knew was the contractor who had built the house. That accounted for Rs. 5,000. There still remained a deficit of Rs. 7,000. This, it transpired, had been lent three years before to the manager of another society some distance away, and it was not till the auditor suddenly appeared that its repayment was entered in the books. Actually not a penny was repaid, but a promissory note was given instead, as the manager was quite unable to repay so large a sum. A pretty kettle of fish, it must be admitted, and one that in the West would have ended in the dock. But in India things are different. The Indian peasant (and sometimes, too, his more educated brother in the town) is a child at finance, and has all the timid child's disposition to meet discovery with deception. In the case of the house, the misappropriation and forgery were too palpable to be really criminal. The other affair, so far as the president was concerned, was simply a thoroughly bad muddle, due to the neglect of the most elementary rules of business. In any case the whole neighbourhood acquitted him of all dishonest intention, and the deficit was at once made good. That the president was not lacking in capacity is shown by the fact that during the first ten years of his presidency the society earned for its fifty shareholders a profit of more than Rs. 20,000.

The case, however, shows that capacity alone is not sufficient, and that where large sums are concerned there must be business training as well and, in addition, a considerable measure of supervision. This, indeed, is the lesson of all the cases described above. In many parts of India the movement was allowed to grow up too fast and under inadequate control. Societies were started without proper teaching; their committees helped themselves to the lion's share of the available money; advances were made regardless of object, and cheap rather than good credit was the order of the day. In all these respects there has been striking change in the last few years, and the tares that spring up all too readily in a hot climate are being diligently uprooted, with the result that a surprisingly good crop has begun to appear. How good this crop can be must now be shown.

Results.

As before, let us proceed by concrete example. Our first illustration is a society of 163 members, embracing no less than twenty different castes. Usually a village bank contains only a score or two of members, all, or nearly all, of a single caste, for different castes intermingle with difficulty; but in this case we find high and low, Pathan and tanner, Rajput and sweeper, side by side. It is, therefore, sufficiently democratic even for this age. A hundred members are small tenants, who, before the society was started, had little or no security to offer and could only get a loan at exorbitant rates. But now, like everyone else, they can borrow from the society at 12½ per cent. In the West this rate may smack of the usurer, but it is only half of what had to be paid before, and means a saving of over Rs. 1,500 a year. As so often happens, the genius of the society is the president, Khan Sahib Yakinuddin Khan, who owns the whole village and belongs to that rare type in India, the country gentleman who seeks to improve his surroundings and help his neighbours. Such men are the pillars of co-operation in every country.

The next example is even more striking. The society, which is in the Lyallpur colony and rejoices in the unromantic name of Chak 118 G.B., was one of the first to be started in the Punjab. Founded with ten members, it now contains 311, including 173 Sikhs, 103 Muhammadans and 30 Hindus. Twenty-two different castes are represented, including the Rajput, Khatri

and Jat at the top, and the humble sweeper and waterman at the bottom. In twenty years it has advanced twenty-seven lakhs (£180,000) to its members, and throughout this period proceedings have never had to be taken against a single member for default; still less has anyone had to be expelled. A share capital and reserve of nearly Rs. 80,000 have been accumulated, and over two lakhs have been deposited by members in addition to Rs. 65,000 received from others. In 1922 a lakh was advanced for the purchase of land, liquidation of debts, replacement of cattle, payment of land revenue, redemption of mortgages, house-building and marriages, and of this amount Rs. 80,000 was repaid within the year. Instead of the 18 per cent or more charged by the ordinary money-lender, only 9⅜ per cent is charged by the bank, and in a sense this is a payment made by the members to themselves. The management is honorary, and has been so economical that in twenty years the total expenditure on contingencies amounts to only Rs. 106. The writer has seen several remarkable village banks in Ireland and Germany, but few that could claim to have done more useful work or to be more efficiently managed. For this the president, Sirdar Sahib Sardar Dalip Singh, deserves the chief credit.

Reduction of Debt

The primary object of co-operation in India was to oust the money-lender and reduce the burden of debt. Our third example is a good illustration of what has been done in this respect. In ten years 76 Jats, with an average income of four or five hundred rupees each, accumulated over Rs. 20,000 in shares and undistributed profit, and paid off Rs. 12,000 of debt. Eighty-eight acres have also been redeemed, bought or taken in mortgage, and six wells have been sunk and seven more converted into tube wells. Now the society is entirely self-supporting, and when its members borrow it is their own money that they take.

But one swallow does not make a summer. Let us, therefore, take a large number of societies that have completed ten years. Figures are, fortunately, available for 2,093 village banks containing 69,000 members. One hundred and twenty-eight lakhs (£850,000) of debt have been repaid, 38,000 acres redeemed and 41,000 taken in mortgage or purchased for eighty-seven lakhs. Fifty-eight lakhs have been accumulated in shares and undistributed profits, and 35 per cent of the members are entirely free of

debt.[1] In other words, liabilities have been reduced by 128 lakhs, and assets increased by 145 lakhs. The former represents an average reduction of Rs. 185 per member. As there are over 370,000 members of village banks in the Punjab, this means that co-operation is reducing debt at the rate of nearly eight crores (£6 millions) in ten years. This, perhaps, is not much to set off against the increase of 48 crores in the last decade,[2] but at least it shows that a remedy has been found by which the rising tide of debt can be stemmed.

The initial evil, however, that co-operation had to meet in India was not so much debt as credit. As we saw in the last chapter, the acquisition of proprietary rights, the inflated value of land, and the general prosperity of the country made credit dangerously easy. Now, as a servant, credit can turn sand into gold, but, as a master, it will turn gold into sand; which is exactly what has happened in the Punjab. In the last thirty years a huge fortune has been dissipated and debt has increased by fifty crores. The magic of co-operation lies in the fact that it substitutes for the money-lender's demoralizing system an organization under which credit is controlled and debt restricted. The money-lender, provided credit is good, rarely enquires the purpose of a loan, and, as he is dealing with a careless, improvident class, is obliged to guard against loss by a high rate of interest. On the other hand, the village bank will (or should) only advance money if it is satisfied that it is either for a necessity or for a productive purpose; and it can afford to charge a much lower rate of interest, as the risk of loss is much less when loans are not indiscriminately given; a defaulter, too, can be subjected to the pressure of neighbours who will be losers if he does not repay. Another and most important difference between the two systems is that the money-lender, considering his own advantage alone, is far from straight in his dealings and invariably charges compound interest. We have seen what a burden this imposes,[3] and, though most village banks charge 12½ per cent, this is probably only half of what is charged first and last by the money-lender for an unsecured loan. It is not surprising, therefore, that as soon as a man joins a society he finds himself able to

[1] See *Co-operative Societies' Reports*, 1923–25.
[2] See p. 241 (fourth footnote). [3] See p. 216.

start reducing his debt. In this connection, however, it must be remembered that it is not the object of co-operation to reduce debt so much as to replace unproductive debt by productive, and to provide the cultivator with a sound, well-controlled system of credit which will be as inimical to waste as it should be favourable to development.

So much for the direct influence of co-operation upon debt. What of its ultimate object, the object that expresses itself in the phrase, 'Better business, better farming and better living'? Let us turn again to the record of societies that have completed ten years. There is nothing more stimulating than to glance through their reports. Nearly all tell of some material improvement, mainly, of course, in things agricultural. In a society of Gujars on the banks of the Beas, every member has a Meston plough. In another, the village common land has been planted with trees that mortgaged lands may be redeemed when the timber can be sold. In other villages, 'wells have been repaired, village meeting-places built or put in order, and grants for sanitary improvements have been sanctioned'.[1] In Sialkot, four societies obtained improved postal facilities by paying for a post carrier, and in Gurdaspur a dozen societies combined, with the help of Government and the District Board, to build a dispensary to be run under co-operative management.

Other Material Benefits

But much the most remarkable instance of material improvement due to co-operation is the consolidation of holdings. The importance of this work can hardly be exaggerated. It has repeatedly been emphasized that one of the most serious causes of debt is the smallness of the average holding, which is greatly aggravated by the way in which it is split up into innumerable fields scattered round the village. It is obviously too late to increase the size of the holdings, and with an increasing population it will probably be impossible to prevent them becoming even smaller; but there is no reason, except human obstinacy and prejudice, why they should not be consolidated. For ten or fifteen years economist and official debated how it could be done, but it was left to Mr. Calvert to hit upon the discovery that co-operation

Consolidation of Holdings

[1] *Co-operative Societies Report*, 1923, p. 9.

provides the best solution of this most difficult problem. By 1927, 314 societies with 15,387 members had been formed with the sole object of consolidating the holdings of their members, and in six years 88,710 scattered parcels of land, measuring 60,015 acres, were consolidated into 16,458 at a cost varying from Rs. 1-6-0 to Rs. 2-11-0 an acre. 'It must not be expected,' says Mr. Calvert, 'that whole tracts will be adjusted without great labour and much time, but a real revolution of incalculable benefit to the cultivators of the central districts has been definitely started.'[1]

Of this the two maps of the village of Bhoyapur on the opposite page are sufficient proof. Here at a glance we see the effect of reducing 886 fields to 55, and it should be sufficient to convince anyone, not simply of the advantage, but of the absolute necessity of consolidation. In 1925, the average area of 17,000 fields was increased from slightly over half an acre to 3¾ acres. In one village a cultivator, finding it unprofitable to cultivate a ten acre holding consisting of 84 scattered fields, preferred to work elsewhere as a tenant. The 84 fields have now been reduced to two and he has returned home and bought a well to irrigate them. In another village, an owner who had his land scattered in 200 different fields now has it in one, and five more have single plots where each before had over a hundred. In a third, a long-standing boundary dispute between Sikhs and Muhammadans has been settled by giving each party separate parcels of land in place of the old mosaic of mingled plots. In two more, rents have risen by 25 per cent. In Jullundur, the cradle of the movement, rain water is conserved on the larger blocks by building embankments, which the tiny size of the fields formerly made impossible; and in the same district 47 new wells have been sunk, and 1,750 acres of waste land, previously too minutely parcelled to be worth cultivating, have been brought under the plough. Infinite tact and patience have been required on the part of the small staff charged with the work, as it was a condition of membership of the society that nothing would be done unless the members were unanimous. It remains to be seen how far the movement will spread. Meanwhile, when we look

[1] *Co-operative Societies' Report*, 1923, p. 40. For a detailed account of what has been achieved see Mr. C. F. Strickland's article in *The Agricultural Journal of India*, March, 1927.

at the first map of Bhoyapur, we may well ask whether any real agricultural progress is possible till holdings are consolidated.

Materially, co-operation has worked miracles, but, as every true co-operator knows, man cannot live by bread alone.

Signs of Moral Progress—'Better Living'

Accordingly, wherever there is genuine co-operation, moral and material progress go hand in hand. Of this three striking examples may be given. The first is the growth of the Better Living society, the object of which is to discourage extravagance and waste and suppress social evils. There are already 150 of these and they are multiplying fast. They combat drinking and gambling, the sale of daughters and excessive expenditure at marriages and funerals, and in one case even smoking. In Jullundur, 103 ceremonies were recently performed at a cost of Rs. 14,000 instead of Rs. 50,000. In Montgomery, several societies have imposed a limit of Rs. 300 for a marriage where Rs. 2,000 used to be spent. Near Lahore, the Sikhs of Chunian have persuaded their womenfolk to reduce their marriage expenditure on jewellery from Rs. 2,000 to Rs. 500; but before the women would agree their bibulous husbands had first to take the pledge. Breach of rule is punished by fine—in one case Rs. 100 was paid for importing dancing girls—and occasionally by expulsion. One member who made a regular income out of perjury was not only expelled but excommunicated; whereupon he abjured his evil ways by public oath in the village mosque.

The second example is the strong desire for education now everywhere apparent, the latest manifestation of which

Education

is the formation of 158 Compulsory School Societies, whose 7,000 members bind themselves, under a penalty of Rs. 50, to send their children to school for the full primary course. And not only do the parents send their children to school more readily than before, but many go to school themselves. A considerable number of co-operative schools (201 in 1927) have been opened in which men of all ages, after their work is finished, learn to read and write, and in some cases to master the elements of vernacular accounts, in order that they may be able to deal on a more equal footing with the bania. In one village, shop-keepers, carpenters, blacksmiths, water-carriers, potters, weavers and even goldsmiths are to be seen sitting side by side with the peasant proprietor.

This is of good augury for the future, as the illiteracy of the village is one of the greatest obstacles to its progress.[1]

Arbitration Societies

Our third example is the foundation of arbitration societies, whose members all pledge themselves to settle their disputes by local arbitration instead of going to court. We have seen that, though litigation may not be a major cause of debt, it is a serious cause of waste, especially in the more prosperous districts, where immense sums are frequently spent in gaining or perverting the ends of justice. What, however, is almost worse than the waste of money is the atmosphere of touting, extortion and mendacity, which the cultivator almost invariably finds when he goes to *kutcherry*.[2] It seemed, therefore, worth while to Mr. C. F. Strickland and the writer to try and devise some means of saving him from a system which was almost as demoralizing as the prevailing system of credit. After much difficulty, two arbitration societies were opened in 1920. Once started, the movement spread, and in the next two years 148 societies sprang up. For the moment it seemed as if the countryside was about to be enriched with a new form of co-operation of permanent value, when suddenly a ministerial fiat was issued, and the societies were all incontinently closed. No doubt there were cogent reasons for this, but, unfortunately, they were not such as could be understood by the 16,000 members affected, who were merely bewildered by an order in which they saw nothing but the urban mind's ignorance of rural conditions. Fortunately, wiser counsels have since prevailed, and the movement is now being revived.[3]

Thrift

There is one aspect of co-operation which combines in a special degree both the moral and the material advantages of the movement, and that is its encouragement of thrift. There is no need at this stage of our enquiry to emphasize the supreme importance of thrift in

[1] This movement has been greatly developed by the Ministry of Education, and in March 1927 there were 3,786 night schools attended by 98,467 adults.

[2] The district court.

[3] In July 1927, there were 27 societies with over 3,000 members. In the course of the year (1926-27) 660 disputes were dealt with relating to women, crops, debts, trespass, insults, hurts and water supply.

India. In an earlier chapter we saw that the deeply ingrained improvidence of the country, combined with over-population, to which it is closely allied, is the root cause of the poverty of the people, and we noted that this was especially the case in the riverain tracts, where the standard of living was at its lowest. 'Even when holdings are small,' says Mr. Thorburn, 'owners might in hard times avoid indebtedness or more than a small amount of debt . . . did they after short harvests economize every copper.'[1] We have had examples of the truth of this in the Mahtons of the central Punjab and the Ahirs of the south, whose frugality and industry enable them, in spite of adverse conditions, to keep the money-lender at bay. If co-operation did nothing else, it would be justified by the importance it attaches to thrift. Thrift, self-help and mutual help are the three watchwords of its creed, and in the Punjab village bank it seeks to give effect to the first, not only by attracting deposits, but also by inducing members to contribute every year some small sum towards the payment of a share which cannot be withdrawn till the society has completed ten years. In this way, by 1927, members had accumulated sixty-seven lakhs and in addition 27 lakhs of deposits. Thrift societies are also being organized with the special object of encouraging saving. They number over 700 and include all classes—schoolmasters, pleaders, policemen, railway men, factory hands, soldiers and clerks. Sixty-seven are composed only of women and are gradually making good, though business has often to be transacted amidst a confused rout of howling babies, quarrelling children and chattering mothers.

Miscellaneous Societies

This chapter has dealt almost entirely with the village banks. The reason for this is that they now exist in thousands and their experience can be generalized; they represent, too, 84 per cent of the societies in India. Many other forms of co-operation are being tried but nearly all are in their infancy and it is too soon to say which will take root. In the Punjab, in addition to those mentioned above, there are societies for the breeding of cattle and sheep, for the supply of implements and seed, the sale of produce, the storage of fodder, and for teaching better methods of farming. An important new type is the land mortgage

bank, of which there were eleven in 1927. And amongst the more original experiments are societies for reclaiming land devastated by hill torrents and for clearing inundation canals of their silt, and a society of over 800 members which has built near Lahore a 'model town' equipped with post office, hospital, library, schools, piped water-supply and club. Finally, there are societies for helping the weaver, the tailor and the dyer, and those who work in leather, wood, metal and clay. It may now almost be said that there is no rural need that co-operation does not try to satisfy. The difficulty is that effort in all these directions demands energy and capacity for business, and that the climate saps the one and want of education weakens the other. This has necessitated a strong official organization to initiate the movement and to control and guide its development, and hitherto most of the driving force has come from this source. There is danger in this, for it is of the very essence of co-operation that men should help themselves and rely as little as possible upon Government. That is one reason why all good co-operators, official as well as non-official, ardently desire to see education (of the right type) brought to every village in the province. This, however, will take time, and, meanwhile, for the illiterate cultivator there is no better school than the village bank. Here even the humblest peasant may take his diploma, learning to look to himself instead of to Government, to help his neighbours as he would be helped by them, to spend wisely and repay faithfully, to eschew extravagance, and, above all, to deal straight. For a country that is entering upon the perilous path of self-government these lessons are invaluable, and that they may be learnt is shown by what a proud Hindu Rajput, the president of a small village bank, once said to the writer. 'When the bank was opened I owed the *sahukars* a thousand rupees. Seeing that I had joined the bank, in their anger they pressed me for payment and haled me to the court. Decree after decree they got, till my own people said, "Declare thyself a bankrupt". But I remembered my *izzat*. I laboured hard, and one handful after another I gave them till the whole was paid.'

That is the voice of the true co-operator, and, as many hope, of India's future.

CHAPTER XIV

CONCLUSIONS

We have now completed our study of the peasant proprietor of the Punjab, and it only remains very briefly to summarize our general conclusions. In doing this we must not forget the variety of conditions prevailing in different parts of the province: the security from drought in one area, the great insecurity in another; the dense population where nature is bountiful and water abundant, and the wide empty spaces where life is hard and water scarce; the prosperity of the canal colonies, and the poverty of the south-west; the marked development of the centre of the province, with its large towns, its network of road, rail and canal, its many institutions, colleges and schools, and the primitive conditions of the more outlying districts. It is not easy, therefore, to generalize, and the degree of truth in every generalization will vary with the part of the province to which it is applied. With this preliminary word of caution we may now state our conclusions.

The first and most obvious is, that the bulk of the cultivators of the Punjab 'are born in debt, live in debt, and die in debt'.

The Bondage of Debt

Probably in no district are more than a third free of debt, and in some the percentage is less than ten. Moreover, mainly owing to the inflated value of land and the consequent expansion of credit, this debt is much greater than it was fifty years ago, and its rapid increase is depriving the cultivator of much of the benefit that he might otherwise derive from the growing prosperity of the province. It is unnecessary to recapitulate the causes of debt, but in examining them we saw that debt was allied to prosperity and poverty alike, and that, while its existence was due to poverty, its volume was due to prosperity. We saw further that the link between the two was the money-lender, and that the latter is everywhere the evil genius of the cultivator, exploiting him when he is prosperous, and enslaving him

when he is poor. In business, the strong invariably prevail over the weak, and to this rule the Indian village is no exception. Ignorant, improvident and unbusinesslike, the peasant has been no match for the astute and rapacious money-lender, and has been as easily shorn of his gains as a sheep of its fleece. For a time, the rapid increase in debt was kept in partial check by the Land Alienation Act, but, with the tendency of all protective legislation to defeat its own object, the Act fostered the growth of the agriculturist money-lender, and borrowing soon became as easy as ever. This would have been an advantage had the agriculturist money-lender allowed himself to be influenced by any fellow-feeling for his debtor, but in this respect there is little to choose between him and his professional rival: the one is as harsh as the other is astute, and both are demoralized by the system under which they work. Under this system the creditor is in danger of being turned into a tyrant and the debtor into a serf. The cultivator sows that another may reap, and toils that his creditor may gain. Of what use to him, then, are all the devices for improving the quantity or the quality of the harvest? As well teach him to convert his bullock cart into a motor, for all the good that it is likely to do him. Economic freedom is a condition precedent to progress, and to the Indian cultivator no freedom is possible till the power of the money-lender is broken. As a German writer says, usury must be fought to protect not only the weak but the whole industry of agriculture against a parasite which threatens its foundations.[1]

Our second conclusion is that the peasant proprietor cannot keep out of debt unless he is exceptionally industrious and frugal, or has a second string to his bow. This fact has again and again been stressed in the course of our enquiry, and, so far as the Punjab is concerned, it is abundantly proved by what we have encountered in different parts of the province. We have seen that where industry is unflagging and habits frugal, as amongst the Mahtons of Jullundur and the Ahirs of Gurgaon, or where, as in Rawalpindi, men are accustomed to emigrate or enlist, debt is comparatively light;

Difficulties of the Small Holder

[1] N. Reichsberg, op. cit., iii, 1965.

but where these factors are absent, the peasant is largely dependent upon the money-lender. In general this conclusion agrees with the experience of other countries. The English small holder, says Mr. Curtler, 'without any by-industry, has hitherto only been able to keep his head above water by a life which, without exaggeration, may be called one of incessant toil and frequent privation'.[1] In Japan, where 96 per cent of the cultivators live on less than eight acres,[2] more than one-third of the farming population keep themselves afloat by the rearing of silk-worms.[3] In Italy and France, sericulture plays a similar if less important part, as also does the making of toys in Germany and Russia. In many parts of Europe, it has been one of the difficulties of the small holder that domestic industries cannot stand the competition of the factory, and this was amongst the causes that led to the decline of the peasant proprietor in England in the eighteenth century.[4] In other countries it has been met by the development of the more intensive forms of farming implied in market gardening, dairying and stock-breeding. But even so, in the richest part of England (the Isle of Axholme), 'it is considered that ten acres is the smallest area on which a man can support a family without any other industry to help him',[5] and where there is no live-stock industry or market gardening twenty acres are needed.[6] It is dangerous to compare two countries so dissimilar as England and India, but it is obvious that where, as in India, rural industries are relegated to the menial castes, and market gardening is considered derogatory, and scientific stock-breeding is impossible to any but a Muhammadan, the economic holding is likely to be larger than where these restraints are absent. Nor, after examining the condition of the peasant proprietor in different parts of the Punjab, can we doubt that the few acres which he commonly cultivates are wholly insufficient, *under present conditions,* to maintain him in decency, independence and comfort.

[1] Op. cit., p. 317.
[2] K. Ogata, op. cit., p. 86.
[3] Robertson Scott, op. cit., p. 151.
[4] Curtler, p. 260.
[5] *Ibid.*, p. 318.
[6] A. W. Ashby, in *The Economic Journal*, March, 1917.

These conditions must, therefore, be changed. This, however, is easier said than done. Even if the restraints of religion and caste could be removed, the problem would not be solved, for domestic industries cannot be improvised, nor can intensive farming be widely developed without far better communications and markets than at present exist. The position of the small holder, bound hand and foot to the money-lender and condemned to a system of farming which would only be profitable on a larger scale, would be desperate but for one thing, the development of the co-operative system. In Europe, as in India, the old communal life of the village, with its joint cultivation for subsistence rather than profit, its common pasturing and its sharing of mill, bakehouse and winepress, prevented the cultivator from being exploited, and made him to a large extent independent of the outside world. But with its collapse, in the early part of the nineteenth century, the peasant found himself caught between the capitalist farmer on the one side and the shopkeeper, half trader half usurer, on the other; the one eager to deprive him of his land, and the other to rob him of the fruit of his labour. Isolated, ignorant and helpless, he must have fallen a prey to both, had not co-operation come to his aid with a new form of communal life, to protect him both within and without his gates.

Co-operation

It is now an accepted fact that co-operation is indispensable to the well-being of the small holder, and it is therefore matter for congratulation that one form of it at least, the village bank, has taken root in India. The village bank, as we saw in the last chapter, represents a form of money-lending which is totally different from that of the ordinary money-lender. The latter, in strict conformity with 'business', thinks of nothing but his own advantage, but a good village bank thinks only of the advantage of its members. The difference is fundamental. Provided that a man's credit is good, the money-lender cares nothing that his object in taking a loan should be bad. Nor will he try to recover his principal as long as he believes it to be safe; on the contrary, as likely as not, he will tempt his client to borrow more. In contrast with this, the good village bank will not lend unless both credit and object are good, and it insists, moreover, upon punctual repayment. In this way the cultivator

is taught the rudiments of sound finance, and, while he is learning, his borrowing is carefully controlled. This is of the utmost importance, for the experience of Europe shows that without control even an educated peasant will borrow, not as he must but as he can. A final advantage of the village bank is that, with greater control, it can afford to charge a moderate rate of interest, and forego compound interest altogether. Loans no longer double themselves in three or four years, and so much is saved in lower interest charges that old debt can be reduced and be finally repaid in full.

Prosperity and its Dangers

Our next conclusion is that, in spite of all his disabilities, the cultivator is decidedly better off than he was seventy years ago when the province came under British rule. Except in the south-west, where great poverty still prevails, his standard of living has risen materially and he is better fed and better clothed, and to some extent, also, better housed than he was before. But this he owes more to good fortune than to effort, more to high prices than to skill, and more to the labours of the canal engineer than to his own industry and thrift. What is easily gained is easily spent; consequently a great part of his new wealth has slipped through his fingers into the pockets of others. In thirty years debt has increased by fifty crores, and is still increasing. In this there is danger as well as waste. The waste is obvious and need not be emphasized, but the danger is less apparent. It is of two kinds—social and political. The social danger lies in the fact that, under present conditions, there is reason to fear that prosperity may do more harm than good. In Lyallpur, where the labour, endurance and enterprise of the colonist have been a main factor in the success of the colony, prosperity has been on the whole a beneficent influence. But in Ferozepore and the Manjha, where it has come as a windfall to the cultivator with little effort on his part to obtain it, it has merely provided the population with the means of indulging their cruder tastes. Which of these two tendencies is likely to prevail in the future it is difficult to say, but that there is cause for alarm is clear from the fact that, apart from the canal colonies where conditions are special, the most prosperous districts would appear to be the most highly indebted. It is an unexpected result of this enquiry that it suggests that the two conditions most productive

of debt are insecurity of harvest and prosperity, and that of the two prosperity has the worse effect. As there can be no prosperity without security, it would seem as if security and insecurity are alike inimical to the cultivator. This would be a depressing conclusion to arrive at in a province in which ten million acres have been secured from drought by the construction of canals, were there not an important difference between the two factors. Where there is insecurity, a man borrows because he must, but where there is security and consequent prosperity, he borrows mainly because he can. This evil is the less serious of the two, as the temptations of opportunity are more easily resisted than the obligations of necessity. The remedy is, in fact, in the cultivator's hands, and what this remedy is we have endeavoured to show in these pages. A difficulty in applying it is that the peasant is uneducated, and in general it may be said that with an illiterate peasantry, who have always been poor, a sudden access of prosperity is more likely to do harm than good, unless credit is controlled.

The political danger of prosperity is even more subtle. It is due to the combination of a rise in the standard of living with an increase of population. In the forty years from 1881 to 1921 population increased by 22 per cent,[1] and in the last census decade, in spite of an epidemic of influenza which carried off about a million, it rose by 6 per cent. It is true that, owing to the spread of the canal, production has increased even faster, and that there are still large areas to be colonized. There would, indeed, be no immediate cause for anxiety if the cultivator were likely to remain content with his present condition. But, as we remarked in the chapter dealing with the subject, when a standard which has been stable for centuries begins to rise, forces are awakened which are difficult to check, and discontent and unrest are apt to appear. Both politically and socially, therefore, prosperity has its dangers, and the best way to counter them is to teach the peasant to base his higher standard of living upon the avoidance of waste and upon the exercise of industry, intelligence and thrift.

In substituting a good credit system for a bad, co-operation is doing its best to this end, and, if it succeeds in the more

[1] From 16·9 to 20·7 million (excluding Indian States).

difficult task of securing the cultivator the full fruits of his labour by making him independent of the middleman, half the battle will be won. But co-operation cannot do everything. 'The husbandman,' says Socrates, 'produces many fine results, but the crowning result of them all is that he makes the earth produce food.'[1] Now, experience shows that the cultivator who avails himself of the resources of science is able to produce more and better food than the cultivator who relies entirely upon tradition and custom, and it is clear that, with co-operation to help him, the more food he produces the better off he will be. It is to his interest, therefore, that he should be taught the secrets of science. This the Agricultural Department is attempting to do, but so far, partly because it is still in its infancy and partly because its equipment is inadequate to the magnitude of the task, it has only touched the fringe of the problem. The vast mass of the people still cultivate on primitive lines, looking more to subsistence than to profit, and caring less for improvement than for tradition. The idea of progess is opposed to their whole conception of life, which is dominated by the blind conviction that man is ruled by fate, and that the earth yields her increase not as man works but 'as God wills'. A hundred years ago the European peasant was in much the same case, and even at the end of the last century Sir Frederick Nicholson speaks of him as 'the most bigoted of conservatives', adding that 'routine and his father's customs guide him as they do the Indian peasant'.[2]

Agricultural Progress

We need not, therefore, lose heart provided the right measures are taken to break through this routine. For this purpose three things must be extended—research, demonstration and consolidation of holdings: research to discover the crops, methods and implements best suited to India; demonstration to convince the cultivator of their superiority, and consolidation to give him a holding on which they can be applied to the greatest advantage. Till this year (1927), there were in the Punjab only three experimental farms, which were clearly inadequate for a province that is larger than the British Isles and embraces the

Research and Demonstration

[1] *Euthyphro* (tr. F. J. Church). [2] Op. cit., i, 43.

most varying agricultural conditions. By next year the number is to be doubled; but when we remember the six crores put into the pocket of the cultivator in three years by the discovery of improved varieties of cotton and wheat, we may well doubt whether it should not be trebled. Similarly, fifteen demonstration farms and several hundred demonstration plots are not sufficient to bring home the discoveries of science to a population of 21 millions. Recently, an enterprising peasant bought a few ploughs of improved type to sell in his village. Unfortunately he had not mastered the art of setting them up, and when the one that was tried broke down, he could not put it together again. Most of those who had come to see the trial went away convinced that the old plough was the thing, but the wiser said to my informant :—'Tell your Sahib to send some good ploughs and explain to us their advantage by actual cultivation'. No one had ever been to explain things in that village, yet it is almost within sight of Lahore. The experience of Europe and America shows that the surest and quickest way of making the peasant a better agriculturist is to give him ocular demonstration of improved methods of farming. The Italian *Cattedre Ambulanti* are a good example of the success of this method with a comparatively uneducated peasantry, and the Punjab might do worse than initiate an organization of the same character.[1]

Consolidation of Holdings

But, more important than either research or demonstration, is the consolidation of holdings. A glance at the map of Bhoyapur opposite page 274 shows that it is idle to talk of agricultural progress so long as fragmentation on this scale remains. Fragmentation, says an Italian report, is deadly to agricultural progress and makes a better future impossible for nine out of ten small holders.[2] In France, in parts of which the evil is also acute, rural economists are agreed that the two are incompatible. 'The earth is crumbling under our feet,' says one.[3] 'The land is dying,' says another;[4] and a third, the leading rural economist

[1] For some account of the *Cattedre Ambulanti* see an article by the author in the *Agricultural Journal for India*, July, 1927.

[2] *Inchiesta Parlamentare*, op. cit., v (i), 23.

[3] Victor Boret, *Pour et par la terre*, 1921, p. 73.

[4] P. Caziot, *La terre à la famille paysanne*, 1919.

of the country, remarks:—'To-day the disadvantages are so great that it is absolutely necessary to intervene'.[1] French agriculture is admittedly inferior to German,[2] and one reason for this is that Germany consolidated her holdings with the help of the law, while France has left it almost entirely to individual effort.[3] In Prussia, in the forty years following the Franco-Prussian war, 47 million acres were consolidated. Roused by the agricultural crisis of the seventies, Germany realized, as all the more progressive countries have realized in turn, that consolidation was indispensable to agricultural prosperity. This is a lesson that India has yet to learn. In the Punjab, remarkable results have been achieved by co-operation, but the area consolidated is only a tiny fraction of the whole. Co-operation by itself cannot solve the problem, as it postulates unanimity and one recalcitrant owner can bring operations to a standstill. Legislation is required to enable a majority (not necessarily a bare majority) to overcome the opposition of a prejudiced minority. On this point the experience of Europe is conclusive.

Sub-division of Holdings

The fragmentation of holdings must not be confused with their excessive sub-division. The former connotes holdings which, irrespective of their size, are broken up into scattered fragments; the latter, holdings that repeated partition has made dangerously small. This evil is even harder to cure than the other, as it springs from the laws of inheritance, which are everywhere most difficult to change. In India, it is the custom for every son, and sometimes for every daughter as well, to inherit a share in the family holding. Owing to a vast population, this has led to the creation of countless holdings that are barely economic. In the Punjab, enquiry suggests that half the cultivators farm five acres or less,[4] and in six other provinces the average

[1] Michel Augé-Laribé, *Le Paysan français après la guerre*, 1923, p. 245.

[2] *Ibid.*, p. 271.

[3] A law was passed in 1918 but it has remained almost inoperative for want of the necessary propaganda and organization to make it effective. A law passed in 1919 has had better results but it applies only to the devastated areas (*ibid.*, pp. 248–49).

[4] See p. 3 (first footnote).

cultivated area per cultivator is less than six acres.[1] The Code Napoléon, which gives every child a share of the paternal estate, has had a similar effect in France, and also in Germany wherever it runs.[2] But in both countries the evil has been kept in partial check, in France by systematic birth control and a rural exodus on a large scale,[3] and in Germany by the *Anerbenrecht*, which allows a holding to pass undivided to a single heir subject to the payment of compensation to the remaining heirs.[4] In India, where fecundity is literally worshipped,[5] little can be expected from birth control; nor, in the face of all-powerful custom, are the laws of inheritance likely to be modified for a long time to come. A rural exodus might perhaps be stimulated, but this postulates towns and industries, both of which are few and far between. Ninety per cent of the population still live in villages—in thirty years the proportion has diminished by less than one per cent[6]—and only one per cent is supported by organized industries.[7] The problem, therefore, is not likely to be solved, or even materially remedied, by either urban or

[1] See *Census of India*, 1921, p. 244. The figures for the different provinces are as follows:—

Province	Cultivated area per cultivator Acres
Bombay	12·15
N.W.F.P.	11·22
Punjab	9·18
Central Provinces and Berar ...	8·48
Burma	5·65
Madras	4·91
Bengal	3·12
Bihar and Orissa	3·09
Assam	2·96
United Provinces	2·51

[2] In 1907, 59 per cent of the holdings in Germany were less than 5 acres (Wygodzinski, *Agrarwesen und Agrarpolitik*), 1920, i, 52.

[3] Augé-Laribé, op. cit., p. 246.

[4] In probably four-fifths of Germany it is now the rule for land not to be divided on death (Wygodzinski, op. cit., i, 62).

[5] See M. M. Urquhart, op. cit., p. 67.

[6] *Census of India*, 1921, i, 64, 65.

[7] *Ibid.*, p. 241. Even if every kind of industry is included, the percentage is less than eleven, and in the last Census decade the number so supported fell by over 2 millions (*ibid.*, p. 284).

industrial expansion. Nor, when we recall the industrial conditions in Japan described above,[1] need we regret this. We may even be thankful, remembering the remark in the Quran, that he who would exchange that which is better for that which is worse should enter a city.[2]

In Italy, where tiny holdings are innumerable,[3] the solution has been found in emigration. Men have left the country by the hundred thousand—900,000 went in a single year (1913)[4]—and a stream of wealth has poured back in their train almost as great as the stream of gold and silver to India. In twenty years (1903-22) over £500 millions were remitted, with the result that usury has been greatly mitigated and agriculture has obtained much of the capital it needed.[5] But for emigration, says a writer of the eighties, the peasant proprietor would everywhere be in liquidation,[6] and, according to a more modern authority, it has been the most powerful factor in rebuilding the economic structure of southern Italy.[7] The remedy is one that the Punjab at least would cordially welcome, for we have seen again and again how enterprising the Punjabi is in this respect. But emigration from India is subject to so many restrictions that it cannot be of much assistance at present.

In some countries the aid of legislation has been invoked. In a number of German States minimum limits have been fixed beyond which land cannot be subdivided. In Hesse, a law of 1887 fixed this limit at 1¼ acres for woodland, a quarter of an acre for arable and ·15 of an acre for meadow, but exempted gardens, vegetable plots and vine-yards. There is a somewhat

[1] P. 192.

[2] Pt. i, Ch. ii, sect. 7.

[3] According to data collected by the Ministry of Finance in 1896-97 out of 4,931,000 owners 3,275,000 owned less than 2½ acres. Conditions are said not to have changed much since (A. Mortara, *I Doveri della Proprietà Fondiaria e la Questione Sociale*, 3rd edition, 1912, p. 93).

[4] Francesco Coletti, *La Popolazione Rurale in Italia*, 1925, p. 68.

[5] The estimate is 20,000 million lire (*Problemi Italiani*, 15 November, 1923, pp. 288-89). At 25 lire to the pound for the first sixteen years and 100 lire to the pound for the last four, the sterling value of this amount is £530 millions.

[6] Stefano Jacini, *Relazione Finale sui Risultati de l'Inchiesta Agraria*, 1884, p. 85.

[7] A. Serpieri, *La Politica Agraria in Italia*, 1925, p. 33.

similar law in Baden. A Prussian Law of 1896 applied the *Anerbenrecht,* which is otherwise optional, to all holdings constituted in colonization areas with Government help; such holdings cannot be subdivided either *inter vivos* or by will after death, nor can they be split up by alienation (without official sanction) or be absorbed into larger holdings.[1] In Denmark, a law of 1925 enacts that all existing farms shall be maintained as independent entities and that land shall not be alienated unless enough remains to support a family. The minimum limits are 17½ and 35 acres for good and bad land, respectively.[2] Then there are the well-known Homestead laws, which Germany, France and Switzerland have copied from the United States. But their object is not so much to prevent subdivision as to protect the peasant's homestead and land from attachment and compulsory alienation. In France the *Bien de Famille,* as the homestead is called, cannot be alienated at the instance of a creditor during the lifetime of the owner or till his children come of age:[3] and the German *Heimstättengesetz* of 1920 is not very different.[4] In both countries, however, the law applies only to whose who elect to take advantage of it, and it does little more than protect the small holder as entail protects the large. In France, it has been little used, and according to one writer its only virtue is that it provides an ingenious way of preventing 'a few wretches' from being uprooted.[5] It certainly provides no solution of our problem.

Intensive Farming

This problem is, briefly, how the bulk of the 224 millions supported by agriculture can be maintained in decency, independence and comfort on small and probably diminishing holdings. In Europe, holdings tend to be small, but on the whole they are not as small as in India and in most countries they are more com-

[1] Wygodzinski, op. cit., i, 84–85.

[2] *International Review of Agricultural Economics*, March, 1926, p. 51.

[3] *Annales de l'Ecole Nationale d'Agriculture de Montpellier*, October, 1910, p. 124. The French law was passed in 1909 and applies to property worth not more than 8,000 francs.

[4] Wygodzinski, op. cit., i, 83.

[5] Augé-Laribé, *L'evolution de la France agricole*, 1912, p. 160. In Italy, a Commission of 1920 reported against making any part of a holding inalienable (Serpieri, op. cit., p. 132).

pact and more intensively cultivated.[1] In France, the small holder, if he cultivates cereals, nearly always combines them with some form of *petite culture*, as it is called, such as the olive or the vine, or with the breeding of cattle: if with the latter, he pays his way with his crops and makes his profit out of his cattle.[2] The same is the case with Belgium, a country in which the standard of living is high, though only two out of every three farmers have more than five acres to cultivate.[3] The Belgian peasant is prosperous, because market-gardening is widely practised, pigs and poultry are universally kept and subsidiary industries, such as apiculture, dairy-farming, distilling and brewing are well developed.[4] Cultivation is even more intensive than in Denmark, the prosperity of which is proverbial.[5] Similarly, Danish prosperity is due not only to a first rate co-operative organization, but also to a system of farming which grows the maximum, not of food, but of fodder, and subordinates everything to the production of animal produce.[6] In Italy, to take a final example, the well-to-do are those who have a large holding or who cultivate one or more of the many special crops that the country produces, while the impoverished are the small holders who cultivate cereals on primitive lines. It is significant that the leading Italian rural economist of the day strongly urges the greatest development of cattle breeding throughout the country 'in mountain, hill and plain', and to this

		Average holding Acres
[1] Denmark	(1919)	40
Holland	(1910)	26
Germany	(1907)	21·5
France	(1892)	20·5
Belgium	(1905)	14·5

(*C.M.D. 2145*, para 10). Figures in regard to holdings must be accepted with great caution, e.g., those for France are described by one authority as 'de la haute fantaisie' (Augé-Laribé, op. cit., p. 27).

[2] This information was given me personally by M. Augé-Laribé.

[3] Max Rasquin, *L'Agriculture Belge au point de vue de l'Économie Nationale*, 1920, p. 6.

[4] See the eight *Monographies Agricoles* published by the Belgian Ministry of Agriculture, 1899 to 1902.

[5] *C.M.D. 2145* (para 162 of Mr. D. H. Macgregor's report).

[6] Sir W. Beach Thomas in *The 19th Century and After*, June, 1926, p. 827.

end advocates a large increase of fodder and leguminous crops even at the expense of cereals.[1]

In India, for over two-thirds of the population, cattle breeding on modern lines is made impossible by religion, and with a low standard of living and an attitude of mind which regards a bejewelled figure as more desirable than a well-nourished body, there is little demand for the products of intensive cultivation. The latter, therefore, is rarely practised away from the neighbourhood of the larger towns. In Europe, the spread of intensive cultivation is mainly the result of the great commercial and industrial expansion of the last century. The innumerable towns that have sprung up in its wake provide an almost insatiable market for the produce of dairy, garden and orchard, and communications are so well developed that eggs, milk, butter, and vegetables, and even flowers, can be transported hundreds of miles without losing their freshness. But in India, towns are few and far between, communications, apart from the railway, are still mediaeval, and long distance transport for perishable produce a matter of exceptional difficulty. Mr. Calvert suggests that the peasant should be induced to change his diet and base it more freely upon the products of intensive cultivation, in order that he may find in his own primary needs the necessary spur to develop his land.[2] Already, as we have seen, the Punjab peasant consumes more fruit and vegetables than he did thirty years ago. It might, therefore, conceivably be possible to strengthen this tendency to such an extent that he will make the change from extensive to intensive cultivation without waiting for towns to spring up or communications to improve. If he can be persuaded to do this, his few acres might then suffice to provide him and his family with regular employment, a healthy diet and a simple way of life. This is all that the small holder in any country can ask, and in a hot country all that he need ask; for in India the climate is so destructive, out of doors by drought and flood, and indoors by insect and damp, that comparative wealth or great effort is required to maintain a high standard of living. Few think the effort

[1] See Serpieri's Essay in *L'Italia Agricola e il suo Avvenire*, 1920, ii, 61; and for the relation of systems of farming to the size of holdings, see the author's article in *The Agricultural Journal of India*, November, 1927.
[2] *Ibid.*, March, 1926, p. 113.

worth while, and still fewer have the wealth. We shall be wise, therefore, to content ourselves for the present with trying to secure for India's millions sufficient occupation and food; and if we can add a modicum of real education, we shall have achieved all that is possible in the next fifty years. To some this aim will appear too modest, but not to those who stop to consider the difficulties of the task; for example, the change to be made in immemorial custom, the prejudices to be overcome, and the amount of capital required to provide enough manure and water to make intensive cultivation possible. In a country, in which fertilizers are almost unknown and manure is largely used as fuel and only 45 out of 274 million acres are irrigated,[1] the last alone will be a herculean task. This is shown by the Chhachh, a tract where intensive cultivation has been carried to a higher pitch than anywhere else in the Punjab. There, as we saw,[2] one well is required for every five acres of highly cultivated land and from Rs. 100 to Rs. 270 an acre are spent every year upon manure. If, however, our aim can be achieved, one important result may follow: disease, India's greatest scourge, may receive a check that perhaps no other remedy could impose, for food will be both more abundant and more varied and occupation more regular, and a well-fed, well exercised body is the first condition of health.

Yet, important as intensive cultivation is, it is probably not advisable to extend it until the evil of fragmentation has been dealt with, for, as land is more intensively cultivated it becomes more valuable, and consequently more desirable. In the rich country round Naples, the most intensively cultivated land in Europe, it is a common occurrence for every heir to try and get a share of each plot, plantation and field, whether arable, garden, vine-yard or pasture, and the smaller the holding the more he tries.[3] In the Chhachh, too, there is the same keen desire, and this is likely to be the case wherever land is intensively cultivated.

Intensive cultivation is essential to the well-being of the miniature holder. For the small holder, who cultivates from

[1] *Statistical Abstract for British India*, 1926, p. 311.
[2] P. 89.
[3] *Inchiesta Parlamentare* (op. cit.), iv (1), 225.

five to twenty acres, the experience of Europe suggests that animal husbandry is equally important.[1] For the minority who cultivate more than this—probably not more than 10 per cent in the Punjab[2]—the problem is less complicated, for in their case prosperity is not incompatible with the exclusive cultivation of field crops, such as maize, sugar-cane, cotton and wheat, provided that holdings are compact, scientific methods are applied and the necessary capital is available and wisely used. Finally, there is the landlord who lives on his rents. He has little desire to develop his lands, as his rents are generally sufficient to maintain him in comparative ease, and more than this he does not usually desire. For him, therefore, agricultural development is less a matter of economic need than of social obligation. In northern Europe, where economic needs are more varied and social obligations more pressing, the landlord, under the influence of the double spur, has taken a leading part in the agricultural movement. In Germany, says Wygodzinski, the great progress of the last hundred years and the abandonment of the old beaten tracts of routine are hardly thinkable without the leadership of the large holder.[3] In France, according to Augé-Laribé, the most important steps in technical progress have been taken by the peasant in imitation of the large holder to whom they are due.[4] Similarly, in England, 'it was only the large farmer who had the education necessary to enable him to appreciate and to apply the advances in agricultural science'.[5] Like Sering, Wygodzinski is in favour of a judicious mixture of large and small holders. This, he says, is the kernel of a wise agricultural policy; and he instances the German peasant, who would have nothing to do with the new methods till he saw how advantageous they were to the large holder.[6] In its colonies

The Landlord

[1] The limits, 5 to 20 acres, are of course only approximate and must vary with local conditions, e.g., soil, rainfall, irrigation, etc.: for instance, an acre of good land in the Chhachh is more worth having than ten in the neighbouring tehsil of Talagang.

[2] See the *Agricultural Journal*, March, 1926, p. 110: the figure given there is 8 per cent, but it is essentially tentative.

[3] Op. cit., i, 41–42.

[4] *L'evolution de la France agricole*, 1912, p. 92.

[5] H. Levy, *Large and Small Holdings*, 1911, p. 20.

[6] Op. cit., i, 42.

the Punjab has a unique field for the application of this principle, but it postulates the existence of a class of progressive landlords. Unfortunately, wherever we have come across the landlord, whether as a rival to the *pir* and the *kirar* in the south-west, or as a rent-receiver in the north, or as an absentee in the colonies, we have found but little indication of a progressive spirit. No doubt, he is no worse than his fellow landlord in Spain, Sicily and Roumania, to name three countries which we have had occasion to quote in this connection, but it is noticeable that in none of them has there been much agricultural advance, and in one, Roumania, the landlord has given so little satisfaction that he has recently been deprived of nearly 12 million acres in return for an almost nominal compensation.[1] In Russia, where expropriation has been complete, no compensation at all has been paid, and the country is an example of what may happen when, as a result of a great increase of population, the peasant's hunger for land becomes uncontrollable.

The Aim of Progress

Even, therefore, if the Indian landlord is not impelled to develop his land by a desire to improve his position, he will be well advised to do so from a sense of social obligation, remembering that in agriculture the social factor is as important as the economic. In India, it is probably the more important of the two, for not only does birth to a great extent determine occupation but the money-seeking propensities are comparatively weak. Some would try and make them stronger, pointing to the immense influence of the commerical spur in Europe. But this is to confuse the means with the end. The end in this case is not so much the development of a business as the improvement of a way of life to which 224 millions have been born. The alpha and omega of business is profit, but a way of life touches deeper issues, issues of the spirit as well as of the body. Our aim, therefore, should be to free the peasant from the disabilities of poverty and ignorance and enrich him with the essentials, but not necessarily the luxuries, of civilized life. And, in encouraging him to develop his land, we should not appeal to the love of gain, for that is an ignoble end, but inspire him with the desire

[1] See p. 139 above: the cultivated area of Roumania is about 31 million acres, i.e., approximately the same as that of the Punjab (Constantinesco, op. cit., p. 262).

for things that matter, such as education and health, believing that, if this desire is awakened, the necessary effort to satisfy it will follow. In this way, material prosperity will be seen clearly to be a means to an end and not an end itself, to be in fact the basis, and not the fulfilment, of civilized life. So conceived, the progress made will be real.

Importance of Organization

Whether a civilized standard of living can be attained for so many millions is doubtful: that it cannot be attained under present conditions is certain. The most hopeful feature of the situation is that there has already been considerable advance. As we have seen, there is a growing disposition, especially marked in the canal colonies, to employ more efficient implements, use purer seed, and cultivate the more lucrative crops. Communications, too, are improving, education is spreading and co-operative credit is firmly established. These are promising signs, and if the present organization, of which they are the fruit, is strengthened, further substantial results may be expected. The importance of organization in this country in relation to development has been emphasized more than once, and we may emphasize it again, repeating that in India the forces of nature, religion and custom are too strong for the individual to combat alone. With her three scourges of drought, disease and flood, nature in the East is more like an avenging deity than the kindly, if fickle, goddess familiar to the West. Religion and custom are only less powerful, and their dictates have the sanction of too many centuries of practice for the illiterate cultivator to think of challenging them unaided.

The Problem of Population

Of these dictates perhaps the most binding, and certainly the most disastrous, is the universal custom of early marriage. 'If,' says Malthus, 'it were the general custom to follow the first impulse of nature and marry at the age of puberty, the universal prevalence of every known virtue in the greatest conceivable degree would fail of rescuing society from the most wretched and desperate state of want.'[1] The root cause of India's poverty could not be better expressed, for it has long been the custom to follow the first impulse of nature and for fit or unfit to marry as near the

[1] Op. cit., Bk. iv, Ch. 1.

age of puberty as possible. The awe-inspiring result is the addition of 54 millions to the population in 49 years.[1] Could an agricultural country with a primitive system of agriculture be anything but poor under these conditions? As a character in the Polish novel, *The Peasants*, remarks :—'So, the land must be divided again and again : whether the harvest be rich or poor, the folk must always grow poorer : ye cannot make the land to stretch.'[2] In India the land has had to be divided so often that there is now a multitude of miniature holdings upon which a peasant can barely live. There is nothing for it, says an Indian economist, but to restrict the growth of population 'by every means the intelligent and awakened conscience of the community can devise'.[3] Ultimately this can only be done by birth control, and, if the evil is to be arrested, sooner or later this difficult question will have to be faced. For the time being all that can be done is to try and persuade the peasant to defer the age of marriage till wife and family can be properly supported. Unfortunately, in this country, it is a religious duty to marry, and like all religious duties, the obligation is usually undertaken without counting the cost. The cost, as we have seen, is nearly always considerable and its frequent recurrence is one of the basic causes of debt. It is, therefore, something to be thankful for that in the Punjab there is a tendency to defer the consummation of marriage till well after the age of puberty has been reached. Broadly, it may be stated that in the village consummation now takes place two years later than it did twenty or thirty years ago. This is probably due to the rise in the standard of living, which above a certain point appears to operate as a check upon population. Below this point it would seem as if what Gibbon calls 'the genial forces of fecundity' were kept in check only by the amount of available food. 'When goods increase,' says an ancient sage, 'they are increased that eat them.'[4]

[1] The population of India has risen from 265 millions in 1872 to 319 millions in 1921 (*Census of India*, 1921, i, 7). In the first edition, following the census returns for 1872 (206 millions) and 1921 (319 millions), I put the increase at over 100 millions, but the Census Report for 1921, since published, explains that a large part of this increase is nominal.

[2] St. Reymont, op. cit., iii, 166 (see footnote on p. 184).

[3] K. T. Shah and K. J. Khambata, *Wealth and Taxable Capacity of India*, 1924, p. 341.

[4] *Ecclesiastes*, v, 11.

Applied to primitive conditions, this is a profound truth, and we have had occasion to remark more than once that, in time, *every material blessing is neutralized by an increase of population.* A good example of this is the district of Lyallpur, the population of which rose in thirty years from 30,000 to nearly a million.[1]

For the moment the Punjab has no cause for alarm, for the Sutlej Valley canals, now under construction, will irrigate over five million acres,[2] of which 3¾ millions are desert waste: much land, too, remains to be colonised in the adjacent province of Sind. At the same time, it is impossible to witness the opening of a new canal without reflecting that, whatever the immediate effect, the permanent result will be a large increase of population. If our eyes were opened, we should probably see a host of unborn souls viewing the ceremony with eagerness, indifference or dismay according to their various natures. A new canal undoubtedly means an abundance of new life, but whether ultimately it means better conditions of life is more doubtful. In another generation Lyallpur will be as thickly populated as any ordinary district. Already, in density of rural population, it stands tenth out of the 29 districts of the province.[3] The other colonies will probably fill up as fast, and when the process is complete, it will be difficult to relieve the congestion of the central districts, in five of which there are more than 650 to the cultivated square mile. In this area there have recently been ominous signs of unrest, which are an indication of what may occur on a large scale should a general increase of population bring the rise in the standard of living to a standstill. Th problem of population, therefore, though not yet of paramour importance as in the rest of India, cannot be ignored.

There is one aspect of the problem which touches the Punjab more closely than any other part of India. To a large extent *the great increase in the population of the province and* the rise in its standard of living are due to the security conferred by British rule and the efficiency of its administration.

[1] i.e., from 30,136 in 1891 to 979,463 in 1921 (*Census of India*, 1921, xv, Pt. II, p. 6): probably about half this increase was due to immigration.

[2] i.e. 2 million acres in the Punjab, 2·8 million in Bahawalpur and ·3 million in Bikaner (*India in 1924-25*, p. 201).

[3] This is per square mile: if density per square mile of cultivated area (1921) is taken, it stands only twenty-second (*Census of India, 1921*, xv, Pt. I, pp. 32, 33).

This appplies no doubt to the whole of British India, but, apart from a few large towns, the economic effect of British rule has been greater in the Punjab than anywhere else, for five million acres of virgin soil have been brought under the plough and another five million secured against drought by the construction of 20,000 miles of canal.[1] The result is that the bulk of the four millions, by which the population has increased during the last forty years, owe their very existence to the British Government and the canals it has made. The moral of this is that if there were a serious decline in efficiency, it would soon be found that less water was available, and if less water were available, less land could be cultivated, and many who are now thriving might find themselves reduced to beggary. Still worse would be the effect of any general collapse in the security of the province, for then the whole canal system might be thrown out of gear, in which case large numbers would find their very existence imperilled. How, for instance, could the million inhabitants of the Lyallpur district exist if the headworks of the Lower Chenab Canal were destroyed? To most the danger will appear remote, but in the transitional stage through which we are passing it is not one to be entirely ignored, and even those who rate it lightly will do well to remember the peculiar importance to the province of two blessings that do not stand as high in popular estimation as they did, namely security and efficiency. In this respect the Punjab stands to lose more than other provinces, as its prosperity rests upon what is largely an artificial basis, and we have the example of Europe to show that a civilization that is based mainly upon the contrivances of man is more easily disorganized than one that is based mainly upon the spontaneous bounty of nature.

The Dawn of Self-consciousness

Provided that the security of the country is preserved and that a reasonable level of efficiency is maintained, we may look forward to the future with confidence. Since the war a new spirit is abroad and there are unmistakable signs that the peasant is awaking from his sleep. For the moment he is like a child rubbing its eyes after sleeping the round of the clock. Bewildered but conscious, he is beginning to take stock

[1] In March, 1926 there were 19,813 miles of channels in operation.

of his surroundings, and finds them less satisfying than before. In France he saw an entirely new order of rural life, and realized with surprise that the village can be as civilized as the town. The sight of the French peasant educated, prosperous and independent, roused in him a discontent with his own surroundings that will not be easily allayed. Though still a fatalist, he no longer believes that change is impossible, but he has little idea of how to effect it. It would be easy to exaggerate the strength of this spirit, particularly in the remoter parts of the province, where all the old ways and many of the old superstitions still prevail. It is at its strongest in the canal colonies and in the central Punjab, and it may be found wherever men went to the war in large numbers. Its effect is to be seen in the waning influence of the professional money-lender, who has begun to find the peasant proprietor both his rival and his match; in the desire for education, which in many areas has led to its being made compulsory; in the rapid spread of the co-operative movement; and also in the unrest which infects certain sections of the community. Even in the backward south-west there is said to be an atmosphere of expectancy and a predisposition to change. Everywhere the age-long isolation of the Indian village is breaking down, and, as intercourse with the outer world is established, a new self-consciousness is dawning. Never has the province been more prosperous or its people more alive. Never, therefore, has the time been more propitious for grappling with the problem of poverty and waste. But before this problem can be solved it must be understood, and before it can be understood it must be carefully studied; and in this study we must realize that agriculture is the chief industry of the Punjab and the agriculturist its main support. 'The well-being of a people,' says a Chinese philosopher, 'is like a tree; agriculture is its root, manufacture and commerce are its branches and its life; if the root is injured, the leaves fall, the branches break away and the tree dies.' At present the root is full of sap, but it is in danger of being eaten away by the white ant of unproductive debt, and of being rotted by the stream of prosperity. If debt can be made productive and prosperity turned into a source of strength, a new and more enlightened civilization, based upon industry, intelligence and thrift, should be within the reach of the peasant of the Punjab.

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GLOSSARY OF VERNACULAR WORDS AND TECHNICAL TERMS USED MORE THAN ONCE

Anna	one-sixteenth of a rupee.
Banya	Hindu shopkeeper and money-lender.
Bar	table land between two rivers.
Bet	low-lying riverain country.
Crore	100 lakhs, i.e., 10 million rupees; worth £ 666,666-13-4 at 1s. 4d. to the rupee and £ 750,000 at 1s. 6d.
Durry	cotton carpet.
Fakir	Muhammadân ascetic.
Ghi	clarified butter.
Gram	a pulse (cicer arietinum) ripening in the spring.
Gur	unrefined sugar.
Id	Muhammadan festival.
Idgah	place where the *Id* prayers are said.
Izzat	social position.
Jal	*Salvadora oleoides.*
Jand	*Prosopis spicigera.*
Kanal	one-eighth of an acre.
Kardar	revenue official of former Sikh Government.
Kikar	*Acacia arabica.*
Kirar	name given to Hindu shopkeeper and money-lender in the western Punjab.
Kismet	fate.
Kurta	cotton or muslin shirt.
Lakh	100,000 rupees; worth £ 6,666-13-4 at 1s. 4d. to the rupee and £ 7,500 at 1s 6d.
Lambardar	village headman.
Maund	82·28 lbs.
Nautch	dancing.
Pardah	literally, a veil: metaphorically, concealment.
Patwari	village accountant responsible for maintenance of revenue records.
Pir	Muhammadan religious leader.
Pukka house	a house made of burnt bricks.
Rupee	valued throughout the book (except where stated and with reference to 1925-27) at 1s. 4d.; now (1927) worth 1s. 6d. and so valued for 1925–27.
Sahukar	professional money-lender.
Seer	one-fortieth part of a maund, about 2 lbs.
Senji	*melilotus parviflora.*
Settlement	periodic revision of land revenue assessment.
Shamilat	the common land of a village.
Sirkar	Government.
Square	a unit of land in a canal colony measuring either 25 or 27·8 acres.
Tehsil	section of a district.
Tehsildar	official in charge of a tehsil.
Zemindar	(as used in the Punjab) a landowner, however small.

INDEX

Absenteeism, 138–39.
Acclimatization, 181.
Accounts, 220-21, 229, 233.
Afghanistan, 202, 212.
Aggarwal ; *see* Bania.
Agra district, 6.
Agricultural Department, 175–76, 179, 182.
Agricultural expenditure, 176 ; progress, 30, *170 et seq.*, 275, 285 *et seq.*; best condition for, 141 ; in canal colonies, 158, 177 *et seq.* ; Ferozepore, 51, 67–68, 257 ; Rawalpindi, 85 ; France and Germany, 185 ; Japan, 189 ; outside canal colonies, 183.
Agriculture, State expenditure on, 176.
Ahirs, 94, 101, 103, 252.
Ahmednagar district, 2, 9.
Ajmer-Merwara, 2, 9.
Ajnala tehsil, 244.
Akalis, 155.
Algeria, 229 (Note).
Alipur tehsil, 112–13, 117 (Note), 120.
Ambala district, 10 (Note), 13, 23, 25, 31, 33, 37, 39, 40 (Note), 77, 155 ; tehsil, 238 (Note).
Amritsar district, 52 (Note), 70, 72–74, 76–80, 100–1, 160, 206, 208, 227, 240 (Note), 244 ; increase in debt in, 247, 258 ; tehsil, 201, 251 ; town, 72, 80.
Anerbenrecht, 288, 290.
Animal husbandry, 291–92, 294.
Arains, 44, 46 ; character of, 47, 73.
Arbitration societies, 276.
Area cultivated in, British India, 176 (Note) ; canal colonies, 131 ; Japan, 189 (Note); Punjab, 131, 189 (Note) 235, (increase in).
Aristotle, 196.
Aroras, 187, 210, 212.
Attock district, 7, 74, 86, *et seq.*, 95, 96 (Note), 97, 117, 147 (Note), 161 (Note), 220, 223, 237.
Austria, 231.
Awans, 98, 220.
Bagri Jats, 64, 72, 103.
Bahawalpur, 298 (Note).
Bairampur, 1 (Note), 26, 28, 37, 55 (Note), 59.
Balochis, 110, 113, 121, 125, 126, 241.
Bania, 210.
Baroda State, 2, 6, 9, 204, 242.
Bar, 129, 152.
Barter, 205, 239.
Batai, 113–14.
Beas river, 66.
Belgium, 229 (Note), 291.
Bengal, 2, 6, 9, 17 (Note), 41.
Benton, Sir John, 130.
Bernard, Sir Charles, 58.
Bhakkar tehsil, 237, 238 (Note).
Bhalla, R.L., 1 (Note), 26, 32 (Note), 37 (Note), 55 (Note), 58, 59 (Note).
Bien de Famille, 290.
Bikaner, 3, 54, 91.
Birth control, 288, 297.
Bombay Presidency, 16, 29, 31 (Note), 167, 263.
Brides, purchase of, 52 *et seq.*, 152 248.
Buchenberger, 30 (Note), 222 (Note) 230–31.
Bumper harvest, 93.
Business, ignorance of, 268.

Calabria, 222.
Calvert, H., xvii, 75, 167–68, 170 210, 214, 236 (Note), 261, 262 273, 292.
Canal Colonies, xii, 24, 28, 39, 43, 128 *et seq.*, 169, 183, 216, 218, 254, 298 ; area of, 131 ; cost of marriage in, 247 ; financial benefits of, 131–32, 150 ; influence of, 160, 172, 185, 188 ; objects of, 134–35 ; produce of, 132.
Canals, xiii, 50, 79–81, 101, 107 205, 260, 299.
Capital, 90, 293.
Carver, T. N., 25, 138.
Cattedre Ambulanti, 286.